NATIONAL WEEKLY

# Social Justice

Founded 1936 by Father Coughlin

Royal Oak, Michigan February 28, 1938

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## THE WAY OUT

BY
Hilaire Belloc

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GOVERNMENT BONDS CHOKE INDUSTRY
Pierre Schon

•

SPAIN
James F. Edwards

•

GRAND LARCENY
Dr. Edward Lodge Curran

•

BREAKING LABOR'S BACK
Joseph P. Wright

•

DAMIEN THE LEPER
John Farrow

•

"WILL THE GENTLEMAN YIELD?"

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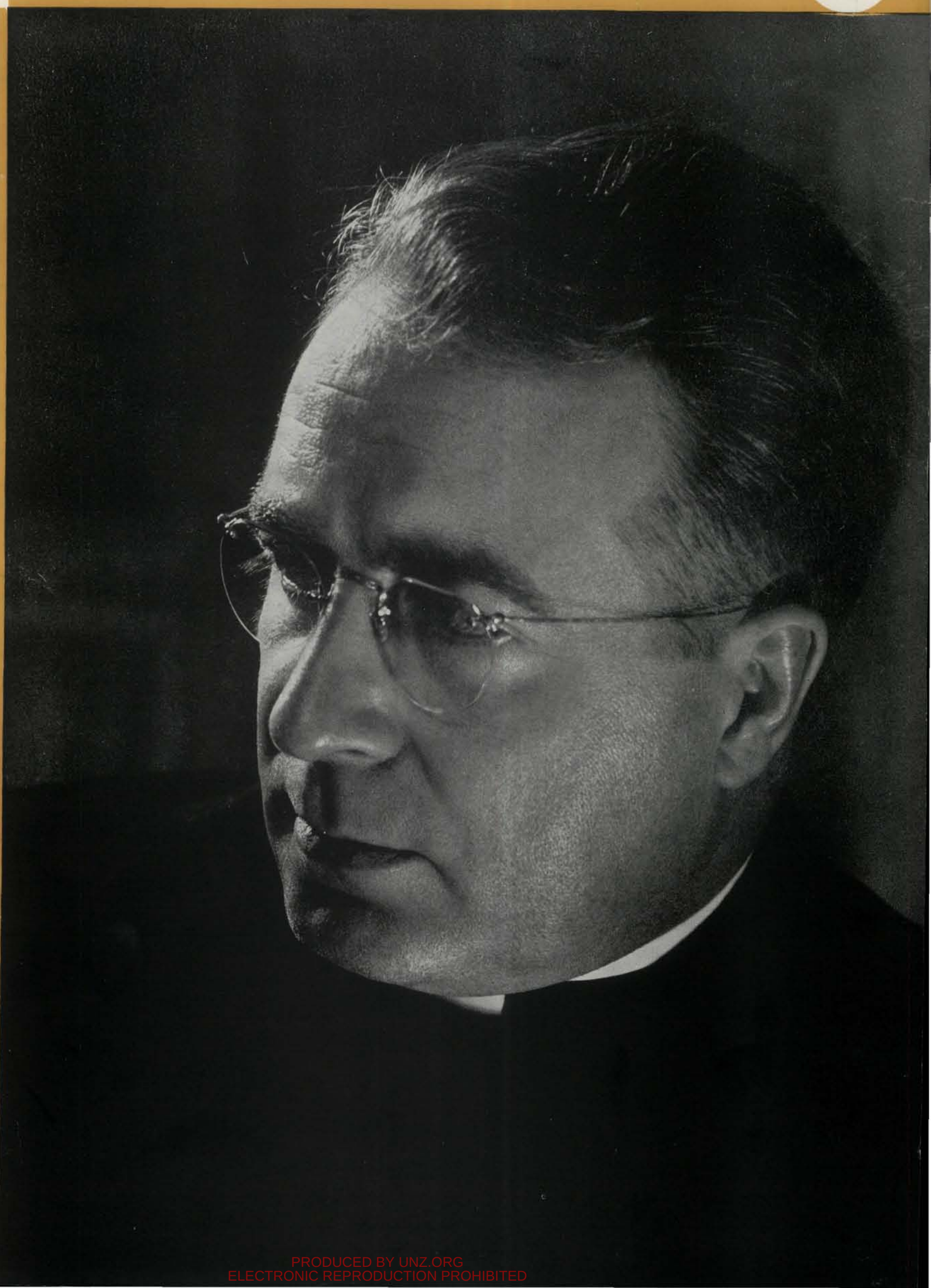
RIZE CONTEST
THIS ISSUE



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# Social Justice

FEBRUARY 28, 1938


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**Father Coughlin**
EDMOND J. SCHAEFER



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Volume IA 77 Number 1


# Father Coughlin Replies . . .

**REPLYING to a Congressman, who was one of the sixty signing the recent congressional note in favor of the Reds in Spain, a letter by Fr. Coughlin said:**

"While I appreciate your letter, which is full of regrets for your having allowed your name a place on this Communist-supporting document, I am deeply concerned with the effect which likely will follow.

"You maintain that you did not know what you were signing. Nevertheless, your constituents have read the first news of your supporting the Reds. I fear they will never read an equally well publicized withdrawal of your name.

"Is it too much to ask you to institute an investigation as to who was responsible for originally drawing up the document which you signed? America has the right to this information.

"If you will pardon me for bringing the following to your attention, it would be well for all Congressmen to become conscious of the feeling which is growing in America—a feeling of disrespect for Congressmen. This sentiment was aggravated by the last special session of Congress in which you and your confreres accomplished nothing for a distressed country.

"Whether you know it or not, the Seventy-Fifth Congress is doing much to persuade the people that representative government does not represent. It is preparing the way for the appearance of a dictator in our midst.

"In this crisis I sincerely believe that it is time for all sane Congressmen to repudiate party-ism and remove forthwith the man-made depression, the continuance of which is your responsibility.

"P.S. No, it would hardly be ethical for me to speak favorably of your bill until you publicly repudiate the unfortunate signature which you attached to the Red Spanish document."

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**To an attorney whose caustic letter found fault with Father's criticism of the re-possessing laws existing in Michigan, there was prompted this answer:**

"Your well-intentioned correspondence was received with a smile, I assure you.

"May I inquire who wrote the re-possessing laws in vogue in our state? Certainly, not the poor people. The legislators and the senators actually wrote the laws, but you and the corporations which you represent lobbied month by month for their passage.

"Whose fault is it that well-intentioned buyers are first dispossessed of their jobs? Is it their fault? Certainly not. It is partly the fault of your corporations which have chosen to league themselves with the bankers instead of with the working men—bankers, I readily confess, who long since have been squirming in the vest pockets of the Federal Reserve monopolists.

"Thus, laws are written to protect the weekly payment retail stores. Merchandise is traded to the laboring class on credit. Then they who control money release the trap, permitting the flow of credit to vanish. This does not happen once. It always happens. The graph of deflation and inflation is one of the most consistent graphs ever executed. Deflation follows inflation as regularly as night follows day. Credit retail merchants are well schooled in the recurrence of these events.

"It is certainly not in harmony with social justice to seize a man's refrigerator after he has made seven payments on it.

"At least when a man is thrown out of work through no fault of his own, he should have the advantage of a moratorium.

"After all, the laws to which you are referring are classroom duplicates of the pagan Roman law which has existed in this nation for the benefit of creditors and the protection of the financial classes since our first code was composed.

"It is time, those laws having failed, for us to repeal them and substitute for them a Christian code of ethics and legislation."

**Answering a correspondent who questioned him because this magazine did not support more vigorously the Ludlow Amendment, the following was written:**

"Leaving aside the fact that we confide our destinies into the hands of representatives whom we elect, and leaving aside both the pros and cons of the Ludlow Amendment itself, which did not differentiate very definitely between the declaration of an offensive and defensive war, may I call to your attention a fact which, evidently, you have overlooked. Following the World War, the Kellogg Peace Pact was originated by our people. It specifically outlawed war as a means of settling international difficulties. It was placed upon the statute books of our nation and, as such, is our federal law. It binds both President, Congress and the American people with the identical obligations of foregoing offensive war. Therefore, why should we even consider the Ludlow Amendment, with its option of going to war or not going to war, left to the decision of a popular vote?

"Before the Ludlow Amendment was even in order, to my mind, the obligations created by the Kellogg Peace Pact should have been lifted.

"In a recent broadcast I clearly went on record as being opposed to all offensive wars whether the people want them or do not want them. In modern warfare, no one wins except the international bondholders.

"As for a defensive warfare, I fear that, possibly, too much valuable time would be wasted going through the process of a nation-wide vote to consider the Ludlow Amendment practical.

"The declaration of a defensive warfare should be left where it belongs, namely, in the hands of Congress."

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## We Introduce . . .

HILAIRE BELLOC whose THE WAY OUT begins in this issue is short, full-faced, stocky and, like a character out of a book, wears an Inverness overcoat with a cape. He was born in 1870 of a French father and an English mother. His life has been divided between France and England. In 1896 he married Elodie Agnes Hogan, an American from California.

From his youth Hilaire Belloc has been a prolific writer. His first publication was "Verses and Sonnets" in 1895. Since then he has written essays, history, novels, poems and biographies.

JOHN FARROW, whose condensation of DAMIEN THE LEPER begins in this issue, is a Hollywood film executive and the husband of Maureen O'Sullivan. While sailing the South Pacific, he chanced to stop on one of the more remote of the Society Islands. There he had the harrowing experience of finding that he had slept in a bed recently vacated by a leper. All but resigned to leprosy, he made friends with the leper and through him came to learn of the leper colony of Molokai and the heroic, almost fictional, Damien.

The distinctly different type of article on Spain by JAMES F. EDWARDS, is the first of four exclusive revelations prepared for SOCIAL JUSTICE by our own European correspondent. Familiar by first hand contact with many of the events he discusses, Mr. Edwards is unsparing in his disclosures and respectable for his informed judgments.

DR. EDWARD LODGE CURRAN of Brooklyn, already a familiar friend to the hundreds of thousands who read SOCIAL JUSTICE, will continue his interpretation of weekly events in the new magazine.

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## Next Week

**A New Story on Tom Girdler and Republic Steel.**

**"Communism and the Church in Spain," by James F. Edwards.**

**"Ignorance and Cupidity," by Robert H. Hemphill, International Financial Authority.**

**"Debunking Karl Marx," by Leon Hamilton**


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# SOCIAL INJUSTICE

## The Real Cause of the War in Spain

***by James F. Edwards***

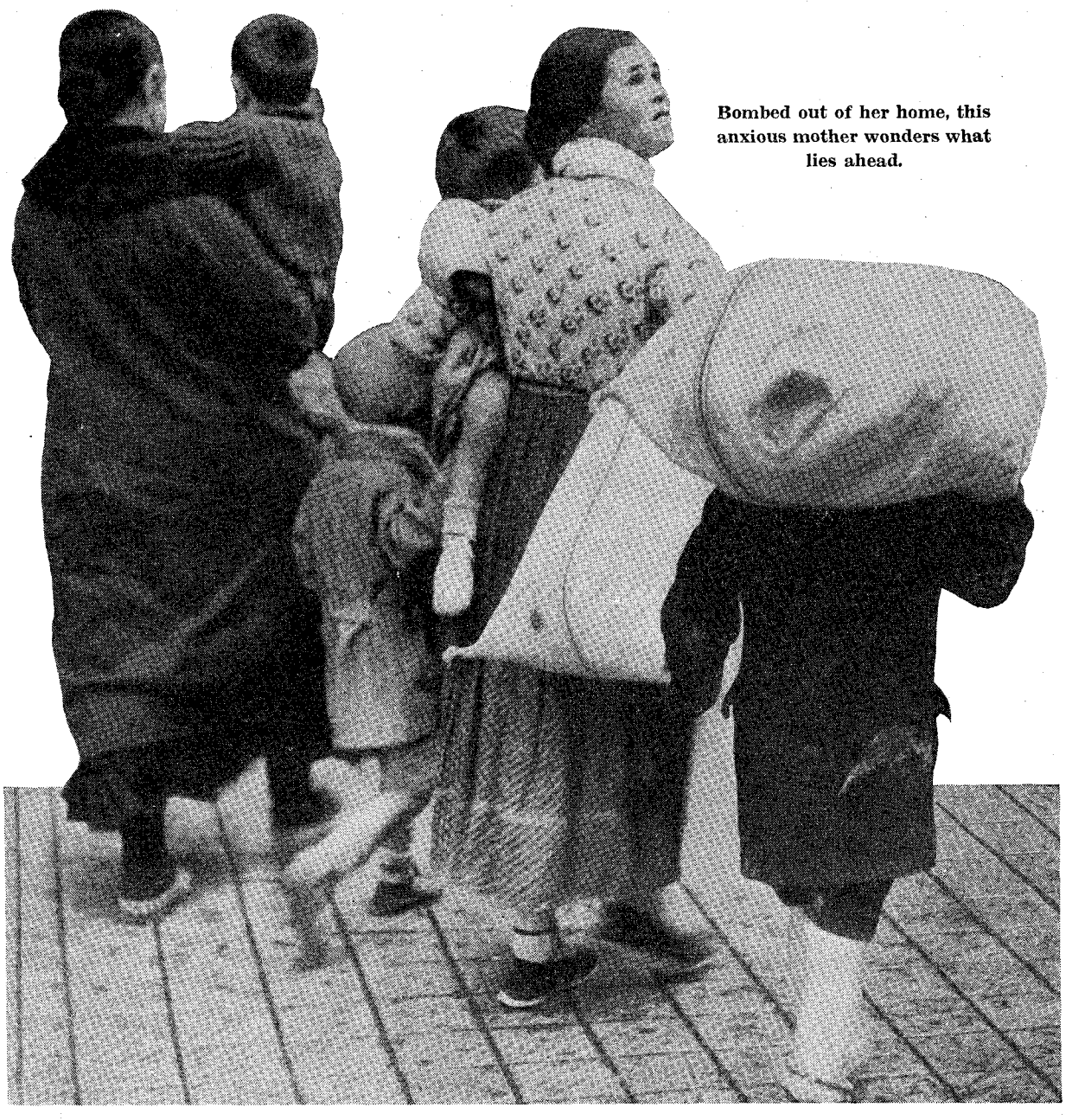
EVERYONE has asked the same questions, "How is it possible in a Christian country for human beings to slaughter one another in a fratricidal war that threatens the peace and security of Europe and the world?" "What are the underlying causes of the strife in Spain?" "Who is responsible for this catastrophe that has racked and tortured a nation noted in history for its art and architecture, its music and culture?"

Few have answered these questions satisfactorily. Few, outside Spain, know what preceded the civil war that began on that momentous day in July, 1936, when a crowd of so-called "rebels," under the direction of Francisco Franco, opened the campaign to restore to the Spanish people their liberties lost completely under the iniquitous left government. The answers to these questions may be readily given by reviewing the social conditions that existed in Spain long before a segment of Moscow was moved to the Iberian Peninsula.

Basically, the cause of the present civil war was *social injustice*. *Social injustice* led to the birth of radicalism and its concomitant evils. Nearly two years before the war started, Caballero, former premier of Spain, stated to H. E. Knoblaugh, distinguished author of "Correspondent in Spain": "Lenin declared that Spain would be the second Soviet Republic in Europe, and Lenin's prophecy will come true. I shall be the second Lenin."

Caballero, Alcala-Zamora, Lerroux, and others prominent in the radical cause, had witnessed the exploitation of the poor, the concentration of wealth, the grave injustices of the Spanish grandees and the numerous other evils that pierce the soul of a people; and they knew that here was fertile ground in which to plant the seeds of Marxism. From their plantings they hope one day to harvest the cockle of Communism.

Radicalism is not *the cause* of the civil war that still rages in Spain. Radicalism is the aftermath that led to the conflict. At most, radicalism was an intermediate cause. The chief reason lay in the condition of the masses which was as much a feudal system, in modern times, as the plight of millions in earlier centuries, held in the bondage of feudal lords. One has but to turn to a census taken of a third of Spain in 1925 to decide that. That census indicated all the evils of concentrated wealth, of land ownership in the hands of the privileged few, of gross neglect and injustice toward the men and women who produced the wealth of the country. That census showed the total of individual land owners to be 1,126,412. Of that number 847,548 received a return of less than one peseta a day, the equivalent of less than twenty cents in our money; 146,710 obtained less than a dollar a day; 22,450 between one and four dollars a day.



**Bombed out of her home, this anxious mother wonders what lies ahead.**

There are still 9,004 families to be accounted for out of the 1,126,412 families in the 1925 census of this portion of Spain. These nine thousand families had a larger combined income than the combined income of the one million one hundred thousand families who received from twenty cents to four dollars a day from their land.

THIS IS not all. The Spanish working class comprises seventy-two per cent of the population of the nation. Their average wage ranged from twenty-five to fifty cents a day. And they were unemployed for four or five months out of each year. Nor is this the whole story. In certain sections, land owners refused to employ men in their fields and hired women only, who were paid approximately sixteen cents a day. As late as last summer, this writer was told of instances where Spanish grandees employed as many as two hundred servants in their villas and paid them the equivalent of less than a dollar a month for their services. The authority for the statement was a foreign correspondent in Spain, who had lived and traveled from one end of the country to the other, witnessing battle after battle in the long siege to save the nation of Ferdinand and Isabella from communism, syndicalism and anarchy.

Out of this maelstrom of rank injustice another brain child of Karl Marx was born in Southwestern Europe, a new Soviet that was to rival its twin sister in Northeastern Europe. And Pravda, leading periodical of the U. S. S. R., could state of the civil war in Spain what it had added to a previous declaration of Lenin: "Our program is an all-embracing and blood-soaked reality." Pravda printed that statement on September 9, 1928. At last, Europe was witnessing the realization of the Marxian dream, in its extremities.

THE AVERAGE citizen of the United States may be horrified at the facts and figures relating to the social conditions existing in Spain long before the fratricidal conflict began. From afar off, it seems impossible that, in a Christian country, men were made to labor for less than twenty cents a day and women for slightly more than the cost of a package of cigarettes. To the American mind it appears incredible that nine thousand families should receive more than one million one hundred thousand families. Evidently, the American citizen has not examined a United States census as late as 1929 which presents the unbelievable fact that *thirty-six thousand* families in our own country had a combined income as

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NATIONAL WEEKLY

**Social Justice**

*Founded 1936 by Father Coughlin*

**Rev. Chas. E. Coughlin, LL.D.**

EDITORIAL COUNSEL

*(By Permission of His Superior)*

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16 PRINCIPLES OF SOCIAL JUSTICE

Liberty of conscience and education.

Just, living, annual wage.

Nationalization of important public resources.

Private ownership of all property.

Control of private property for public good.

Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.

Restoration to Congress of its sole right to coin and regulate the value of money.

Cost of living maintained on an even keel.

Cost of production plus a fair profit for the farmer.

Labor's right to organize.

Recall of non-productive bonds.

Abolition of tax-exempt bonds.

Broadened base of taxation on basis of ownership and capacity to pay.

Simplification of government and lower taxes.

Conscription of wealth as well as men in event of war.

Sanctity of human rights preferred to sanctity of property, with government's chief concern for the poor.

## The Last Hope For Peace

NO ONE KNOWS when the seemingly inevitable war will break upon a horrified world.

Whenever it does break, it is reasonably certain that the present national administration will favor our participating as a belligerent, should the interests or the imperial territory of Great Britain become jeopardized.

We have the open statements of New Deal Congressional leaders—that our fate is tied up with the "democracies" of the world—and that "the British Empire is our first line of defense" —to support this reasoning.

Supporting it too, and more directly, is the recent statement of Anthony Eden to the House of Commons that his government and the government of the United States *had understandings which he could not reveal.*

Most directly supporting our reasoning, is the speech which the President made in Chicago last fall, when he pledged himself to positive action against aggressor nations and discouraged the people from hoping that our government might keep out of the next war.

It would be most unfortunate if the disaster of general war should break out before the people have the opportunity to speak out, articulately, in denouncement of Mr. Roosevelt's foreign policy.

The last opportunity, in all probability, that the people will have to direct their responsible leaders to keep this nation out of war, will be the Congressional elections to be held in November of this year.

In every Congressional district of the nation, citizens who believe that our participation in a general war for any purpose would merely repeat or magnify the folly of 1917-18, should form committees which will publicly challenge every candidate for office to state his honest beliefs about the preservation of our neutrality and our peace.

*No voter should go to the polls without knowing how his Congressional candidates stand, independent of all party platforms, on the issue of "peace vs. war."*

In the light of the consistent attitude of the American people ever since the World War, there is no question that, if the issue can be raised, they will deliver an imperative mandate to keep this nation out of European and Asiatic massacres—*whatever the cost may be.*

## Fitting Things Together

THE PRESIDENT wants the present session of Congress to break up at an early date and go home.

Why should this be true? The Roosevelt ian custom, heretofore, has called for action in the face of crises.

Under our form of government, action necessarily comes through the Congress. The Constitution vests in Congress alone the legislative powers necessary to change and direct the policies of government.

Why is it then, that in spite of the continuing Roosevelt "recession"—a crisis potentially as serious as the crisis of 1929—the President wants the law-makers to get out of Washington as soon as they possibly can?

The answer can probably be found in the November Congressional elections and in the perilous state of international affairs.

The present Congress has rebelled more often than it has co-operated with the Chief Executive.

Congress reached the high point of its "insubordination" when it checkmated his determined drive to emasculate the Supreme Court. In so doing it branded the President as an aggressor against the liberties of the people. It scattered his straw-man mandate all over the nation.

So the President wants Congress to mark time until the people again can "speak." All the forces and the people's money power of the New Deal will be at work, meanwhile, to defeat every Congressman and Senator who opposed the President's dictating will.

The President also has shown a Wilsonian eagerness to entangle this nation in the intrigues of Europe and Asia.

During such periods of hazard for our people, the President should be supported by the restraining influence of a convened Congress. Apparently he doesn't want such support.

It should be remembered that the Constitution placed the power to declare war in the Congress, the direct representatives of the people.

That power, however, can be completely nullified by an executive who, through diplomatic and publicity channels, succeeds in involving our government so deeply in the differences between other nations that the Congress is left no other course but to declare war.

We know the President's publicly demonstrated purposes and predilections. We know that he wants the Congress to adjourn at the earliest possible date. We are merely trying to fit the two things rationally together.

## EYES and EARS by MARK MEECHAN

THIS YEAR marks the twentieth anniversary of the ending of the World War.

We read in the daily press that those twenty years have weeded out all but a handful of the leaders whose names were made great by the most horrible carnage the human race has ever known.

Disingenuous, sentimental stories are told of Marshall Petain tending the roses at his country place in France.

It is revealed that General Weygand, senile and sweetened, reads essays on "The Goodness of Virtue" to the French Academy.

Lloyd George, aged and subdued, mellows under the sun of southern France.

Colonel Edward M. House is merely an old man, no longer gifted with the awful power to lobby a nation into disaster.

Still surviving among the few is the most hated man of an era made mad with hatred, ex-Kaiser Wilhelm. He lives retired in Holland with all the dignity, if not the power, of the days when he was democracy's arch-fiend.

Pershing is still busied about his war. He is head of the commission which keeps alive war's "sentimentalities" by building and maintaining war memorials in France.

Most of the rest of them are gone, those great names associated with mankind's greatest misfortune. But their memories are sacredly preserved—in the shrines where they lie buried, in the histories that color their living days with synthetic glory, in the press which finds them still of profound "human" interest.

There is another way, however, to look upon the twentieth anniversary of the World War. In some manner, the American people must be inspired to meditate upon and grow sentimental over not the dead but the living, not the dying but those springing eagerly and daringly into life's full bloom.

The twentieth anniversary of the last violent death offered "to make the world safe for democracy" dramatizes something far more important to civilization than the passing of the war lords of yesterday.

The twentieth year that rolls over the poppies and the crosses sprinkling the fields of France, challenges all men, ruler and ruled, to realize that a new generation is at the threshold of its destiny—and to interpret the rising of that generation as a benediction.

Fate has been at work these twenty years to give the human race another chance.

THE BABIES who were being born while American doughboys went over the top to win the Allies' war for them, are twenty years old this year.

They have brothers and sisters who are twenty-five, and brothers and sisters who are fifteen—this year.

All these young millions, the pride and hope of our nation, know nothing of the horrors and the unpayable cost of war.

They are ripe for carrying rifles, manning machine guns, piloting bombers and maneuvering howitzers. Or they are ripe for turning their minds and energies to mastering the great social and international problems which their fathers and their grandfathers have signally failed to master.

To which labor will their eager minds and their strong hands be devoted? The twentieth anniversary of the battles of St. Michiel and Meuse-Argonne demands the answer to that question.

THE BATTALIONS of youth are on the march—to take up the more somber but more heroic pursuits of peace or to plunge into the blazing and degenerating glory of modern war.

This new generation is no better and no worse than the generation which is passing.

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# DAMIEN THE LEPER

BY JOHN FARROW

A CONDENSATION FROM THE BOOK

Soon after its publication, *DAMIEN THE LEPER* began to appear on the best seller lists throughout the English speaking world. It was published in 1937, at $2.50, by Sheed and Ward, Inc., 63 Fifth Avenue, New York.

**VERY BRIEFLY** *I would like to say why I consider this book of Mr. Farrow's both true and beautiful. The world, in general, does not perhaps know the greatness of our Father Damien, and its main source of information has been the magnificent letter of Robert Louis Stevenson. For the first time, I think, the story has been told here in very simple terms and with the absolute stamp of truth upon it. The adventure of Father Damien is so romantic as to be almost unbelievable, unless there is at its heart a strong religious fire burning. The spiritual and physical drama of the subject makes melodrama easy and inviting. But Mr. Farrow is never melodramatic. He does not often build up the character of Father Damien from the outside but lets it gradually live of itself through the incidents, the letters, the criticisms of others until, when the book is finished, we feel that we have met, and even know, that strange, dogmatic, fanatical Saint of God.*

*Mr. Farrow is fortunate because he knows both the South Seas that are the background to the story and because his own religion helps him to understand, and believe in, the vision that Father Damien saw. He shrinks from no detail of the physical horrors of the scene. He contrasts them very cleverly—the beautiful background of earth, and sea, and sky. But at the center, perhaps, is this unfailing truth that "He who loses his soul for My sake and the Gospels wins a great victory."*

*I scarcely know how Mr. Farrow has been able to leave so vivid a picture of Father Damien in the reader's mind with so few words about him. I had not realized from Stevenson's letter the strange mixture of opposition that that stolidly irascible man presented. Now that I have read this book I feel that I have Damien as a companion for the rest of my days. This is an addition to one's spiritual experience, and I thank Mr. Farrow for it.*

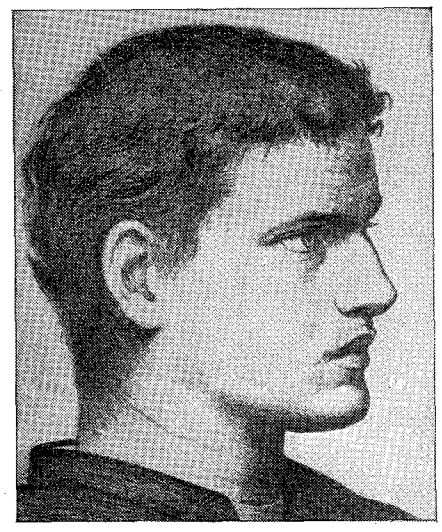
HUGH WALPOLE.

### CHAPTER ONE

ON JANUARY third, 1840, a midwife in the hamlet of Tremeloo in Belgium was hurriedly summoned to the home of Francois de Veuster. And as blankets were being warmed, neighbors came to congratulate the yeoman whose wife, Catherine, had just given birth to their sixth child, a son.

Among these good people was the most traveled man of the community, a ruddy-faced, hearty-voiced old soldier and kinsman of the de Veusters, who came booming into the kitchen of the farm house jovially roaring inquiries as to the sex of the new-born infant, a circumstance in which he had great interest and upon which he had wagered in favor of a male.

Furthermore, he had promised to act in the latter event as godparent. If it had been a daughter, the honor would have been refused, for, as he solemnly affirmed, distorting his saber-marked face with a tremendous wink at the feminine company present, the spiritual guidance of a female was entirely too much for an old soldier to undertake. Later, while sipping the congratulatory toast, he announced that the name of his charge would be Joseph, after the head



of the Holy Family, his own Patron who had saved his life no less than four times.

So the child was named, when a few weeks later he was brought to the font in the company of his parents, brothers and sisters, a few friends, and of course the noisy godfather, who had donned a faded uniform for the event.

It was on this occasion that the child lifted its tiny clutched fist in a vague gesture that was sufficient to be thought an omen. The godmother, the maternal grandmother, convinced that the infant had made the sign of the cross, prophesied that he would grow to be a priest; but the veteran shook his head firmly and declared in his parade-ground voice:

"It was a salute! Who should know a military gesture better than I? He will grow to be a soldier and, like his godpapa, have adventures in foreign lands!"

The years proved that the grandmother had foretold the future correctly. But the veteran was not wrong either; for his godson was to visit distant lands, and, although he carried no sword, was to have adventures amidst horrors that the old soldier would not have deemed possible.

Six years passed and the boy's first lessons in conventional education were received from his mother. There were few books in the farmhouse, and those there were had been in the family for generations. Written in ancient Flemish, they were mostly of a religious theme; because of its graphic woodcuts the most popular with the family was a huge tome entitled "The Lives of the Saints." Every day in the late afternoon, the day's duties over, the three youngest children, two boys and a girl, Auguste, Pauline, and Joseph, would sit by their mother's feet as she delved into the volume and read of heroic deeds in the ancient days.

These were the stories that colored their childhood. Now they played at being bold knights of the Crusades, now at being triumphant martyrs for Christ.

But Joseph was a typical boy. Out of the one hundred or so children in the village, he was held to be not only one of the most daring in matters of youthful adventure but one of the most mischievous and obstinate.

The favorite pastime of the village lads was to jump on the rear of passing wagons while a confederate or two would hurl a pebble at the horse, which, when so startled, would immediately break into a wild gallop. Thus for a few moments, hanging precariously, the heroes at the back of the wagon would enjoy a perilous, jolting ride until the wagon man, getting his horse under control, would dash at them in fury. This charming sport with its double dangers had the added spice of being forbidden by parents. At this sport Joseph was a master.

Like other boys, his life went on with its normal measure of hopes and joys, disappointments and sorrows. The only trait that seems to have differentiated him from his fellows in any way was a genuine liking for solitude. Even in his earliest years (unlike his brothers who abhorred the chores) he found it no hardship to take his turn of tending the small flock of sheep possessed by the family.

But it must not be imagined that he was a recluse in any unhealthy sense of the word. The fact is he excelled in games and interests of his fellows. Ice skating was the favorite sport of the countryside and when he became the local champion his own village was highly elated at possessing such a celebrity.

The pleasant days drifted by, and as he had exhausted the resources of the school at the nearby village of Werchter, his father began to consider his future. In view of the changing times he decided that his youngest son should be a merchant. He well realized that a commercial career demanded a higher education. And therefore he sent the lad to an academy at Braine-le-Compt in the Province of Hainault.

Grateful for the splendid opportunity his parents had afforded him, Joseph worked laboriously. Scholastic success was his. But he soon felt that for him there could be only one career, not one of worldly wealth, but of service for God and his fellow men, a career, the vicissitudes of which would be only known to Him Who alone chooses His Apostles.

After some little opposition he finally obtained his father's approval. At that age, his nineteenth birthday, Joseph was a young man, exceptionally good to look upon. Along with the strength and healthy physique so necessary for a missionary's work, he had dark curly hair and a frank, handsome face, a face destined to be cruelly ravaged by the worst disease known to men, but at that time glowing with hope and youthful ardor.

At Louvain he joined the Picpus Fathers, among whom was already his older brother Auguste, now Pamphile.

As is the custom in the Congregation, Joseph laid aside his baptismal name to take the name of Damien. Certainly, in view of his own life in the years to come, he could not have chosen a more appropriate patron than this brave physician of Cilicia, who spent his life in the service of others.

During his ecclesiastical training there were long periods of self discipline. There were times when he was desperately unhappy because of a side of his nature which, although human, would have to be conquered, if he were to become a worthy priest. He was prone to sudden flarings of anger—tempestuous outbursts, that were followed inevitably and quickly by the tortures of remorse. Everybody concerned would receive apologies and in every way he would try to make amends.

The arrival of a missionary Bishop had brought his mind to dwell on the possibilities of his going to the Southern Seas. The Bishop had painted a vivid picture of life in Oceania; the natural beauty of those far-off places, the undeniable glamour of tropic seas and coral isles, the swaying palms and scented flowers. Then, as the hearts of the novice missionaries glowed, he had told them of the great field for future labor: theirs was the chance to combat, and change into good, the evil influences of those white men who had first entered into the island gardens, desecrating the happiness of the natives with spoilation and disease, immorality and the savage appetites of greed.

The ambitions of service, so long in Damien's head, now had a definite objective. Meanwhile he attacked his studies with unremitting labor at Paris and later at the University of Louvain.

It was while he was still a student at Louvain that the Bishop of the Hawaiian Islands made an urgent demand for more missionaries. Ten *ordained* members of the community were selected and one of them was his brother Pamphile, now a priest. As preparations were being made for the long journey, Pamphile was laid low by typhus and was forced to relinquish his place among the ten chosen missionaries.

But who was to fill it? Damien was bent on that. Contrary to the rule, he went immediately to the highest Superior with his request, a request that was unheard-of, since he had not as yet received sacred ordination. After long anxious waiting came the answer:

"It is rather foolish for you to want to go before you are a priest, but you have your wish. You are to go."

*"You are to go!"* was all that Damien heard.

His heart sang and he thanked God.

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# GRAND LARCENY

**by EDWARD LODGE**

HERE IS a story about "Boom Time" America which thousands of readers can verify. The scene is a small town—any small town in the United States.

The time is somewhere between the close of the World War in 1918 and the economic collapse of the world itself in 1929.

The townspeople are fairly prosperous. Prices were high during the World War, crops were good, business was flourishing and bank accounts in the local bank skyrocketed like a thermometer plunged into fire.

Everyone in town, except the congenital loafers, had saved money against the rainy day which, of course, the local banking authorities claimed would never arrive. The only ones interested in rainy days were the stray insurance agents who talked of such unheard of things as accidents and death.

Life goes by very beautifully and very unconsciously like Rip Van Winkle in the middle of his twenty years sleep. The town is safe because Wall Street has heard little or nothing about it. Somehow in the midst of all his statistics our Boom Town has eluded the scent of the bond salesman.

THEN comes a day when Boom Town looms into the horizon of the bond salesman, even as the Pacific loomed into the horizon of Balboa's eyes. The difference is that Balboa could not take the Pacific over. While our bond salesman—however, we must not rush too far forward with our story.

One morning in his mail the president of the Local Bank of Boom Town, who is strong on Rotary but weak on finance, receives a letter from a New York firm advertising the fact that the Brazilian government is anxious to secure money to electrify some railroads in the heart of Brazil. There is a lot of Good Neighbor publicity contained in the letter and on the circulars advertising the bond issue. There is also some important material in a few lines of small print to which the eyes of the Bank President are not directed either because he has astigmatism or dyspepsia.

Fresh from last night's party at his home, where he drank with guests whose names he could not remember after the first two drinks of Prohibition liquor, our aspiring Bank President proceeds to dream immediately of Brazil. He welcomes the circular because it has given him a new speech for tomorrow's meeting of Rotary.

What a wonderful thing it is for us in the United States, he thinks, to electrify the railroads in the center of Brazil! How grateful the little coffee beans will be to the United States, now that they can get to the cities more quickly for the crushing!

Breaking his dream of Brazil and the "river of doubt" our Bank President is intrigued by the fact that these bonds only run for thirty years and will pay seven per cent interest to the holders. Moreover, the bank can buy these choice bits of Brazilian finance at 94 and sell them to the general public of Boom Town for 96 ½. As the face value of each bond is 100, surely there should be no difficulty in persuading the gullible citizen of Boom Town that the mere purchase of a bond has immediately resulted in a profit of $3.50. Naturally there will not immediately be an extra $3.50 in the private wallet or in the private bank account. But the price of bonds is going up, so says the letter circular, and the holder can probably dispose of his bond, after a brief while, in the open market for $100 and even more.

The dream of the investment banker has come to Boom Town. The Bank President knows the men in town who will be glad to take twenty or thirty or even fifty of the prettily printed bonds that will be sent to him from New York upon his order. He sends letters to his prospective victims—pardon us, we mean customers—in envelopes marked "The Office of the President." He incorporates all the glowing story of Brazil. He dangles the seven per cent before their eyes. Here is an opportunity to do something for our backward brethren, he writes on, as well as an investment which will take care of old age. The Bank President fails to say whose old age—the Brazilians' or the Americans'.

OF COURSE there are many things which might be done with the money of the townsfolk piling up, via the fountain pen, in the bank ledgers. The swamp which attracts mosquitoes and repels summer visitors might be drained off. The Toonerville Trolley which winds its mournful way ten miles off to the County Seat might secure much-needed equipment. A new and up-to-date operating room should be installed in the twenty-room hospital which takes care of the local needs of Boom Town. Even an agricultural school could be started. But what are these, when compared with the Yankee spirit of pulling someone else out of the mud and then jumping into the mud oneself so that the mud will not feel too suddenly deserted.

AND SO, as the story book goes, a thousand bonds were sold in Boom Town. Fifty of the burghers went home one night and showed their wives the pretty pieces of paper from Brazil. The fountain pen money of each of the sturdy burghers in the local bank was reduced, via the same fountain pen, by some $1,930. In due time, the seven per cent would reduce the deficit and then, of course, the bonds could always be sold for a hundred and more. An international outlook had come to the eyes of the burghers of Boom Town. A Good-Neighbor feeling even threatened to displace religion. Thenceforward "from soup to Brazilian nuts" was printed on every menu card. There was nothing to fear. Had not the President-Salesman *assured* them that *New York informed him* that the *State Department at Washington had informed them that the* United States Government had no objection to the loan solicited by the Brazilian government?

And so, as the story book goes, the bonds were sold. The burghers paid 96 ½. The bank paid the New York wholesaler 94. The New York Bond Firm paid their vendor 92. The

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# THE STORY OF BOOM TIME AMERICA

## CURRAN, Ph. D.

group that took the entire issue from the issuing New York Bank paid 90 ½. And the New York Bank which began to float the loan paid the Brazilian government 90 for each bond and said "God Bless You—Come Again."

And so, as the story book tells us, we are nearing the end of our tale. For depression descended upon Boom Town. And the Brazilian Bonds that were to sell for $100 could not even be sold for 100 cents. For the Brazilian government had ceased to pay any interest. And the Brazilian government was far away and could do nothing about it. And the Bank President himself had been victimized so that only those who had a hand in the selling in New York were able to profit by the "investment." And, to add insult to injury, the central railroads of Brazil were not electrified and no one knew what the Brazilian government had done with the money and the only thing that can be done about nothing by poor mortal beings is nothing. Only God can create something out of nothing. And Boom Town changed its name to "Brazil."

WE CLOSE our story book. We return to the world of facts. For the story is a fact. It is a fact based upon the insane policy of encouraging American investors to place their money abroad in foreign bonds for purposes that were never realized and without even one of the slightest safeguards which the sales law of any decent State places around the sale of an apple by a grocer to a housewife for the protection of the buyer.

Ten billions of dollars had been loaned by the Government of the United States to the Allies in the World War, who at the close of the World War had straightway proceeded to repudiate the debts.

Twenty-five billions of dollars the United States had spent for its own wartime performances, in order to make the world safe for democracy and the present Red United Front in France.

And after the war, fifteen billions of dollars out of the pockets of American citizens, in Boom Town and elsewhere, were loaned to foreign governments without any guarantee of payment, without any control over the expenditure of this money, and with profit to no one but the international bankers who control the destinies of peace and war in every country under the sun.

Upon these same international bankers must be placed the blame for the collapse of the bond market in America and for the horribly piled up debt and worthless bonds which international bankers, men enough to admit that they were at fault for the grand larceny of the foreign bond market in the United States. What did they say, when, before a Senatorial Committee, it was shown that in certain instances foreign governments had not even thought of floating a loan until it was suggested to them by representatives of the international bankers themselves?

They said nothing. They put the blame on the buying public. "I do not think," said one of them, "you would be justified in holding the bankers and brokers responsible for the wide speculative craze that worked through the country. I think they were trying to supply what the customers wanted . . . I think the banker is like the grocer: He supplies what his customer wants."

It is too bad that this banker and his associates did not do some of this thinking before enticing the money in American bank accounts away from American citizens and away from American improvements.

Did the general public ask the international bankers to go abroad in order to influence a foreign government to float a loan? They did not.

Did the general public ask the bankers to write the ivory-pure publicity which accompanied the circulars that were sent to bond salesmen throughout the country? They did not.

Did the bankers try to warn the public against this craze of speculation to which their representatives referred before a Senatorial investigating Committee after the crash? They did not.

Did the bankers warn the general public that when the United States Government said it had no political objection to a loan, the buyer was not to infer that the United States Government guaranteed either the soundness or the integrity of the investment? They did not.

Did the bankers print in large print, just as large as their honeyed appeals, the statement: "The information contained in this circular has been obtained partly from cable and other official sources. While not guaranteed it is accepted by us as accurate?" They did not. They kept this admission in the smallest print and crowded it into an insignificant portion of the page.

DID the bankers see to it that the money loaned to a foreign government was expended for the purposes collected, and refuse to float any more loans for such a government upon receipt of news to the contrary? They did not.

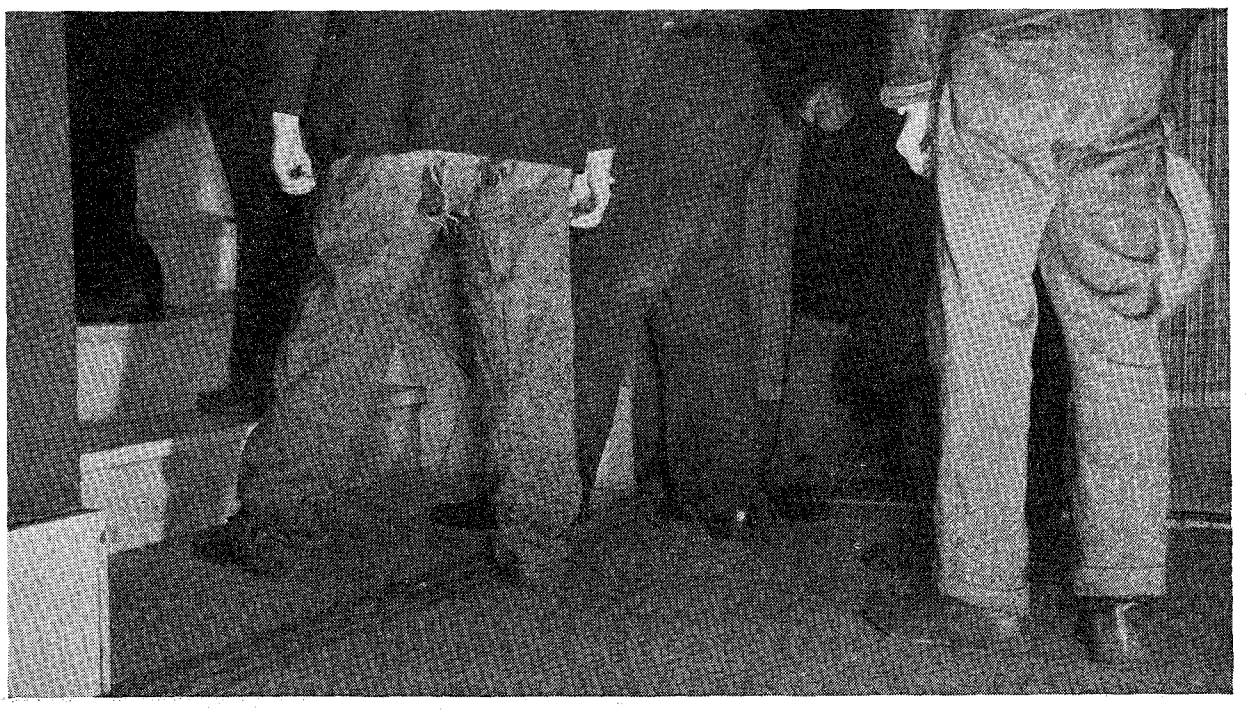
Did the bankers prefer to sell bonds for new projects in the United States itself, where at least something tangible and useful would have been accomplished for the American nation, instead of throwing money like the proverbial nautical inebriate into the lap of foreign governments? They did not.

The international bankers then, as the international bankers now, were only interested in profits. They assumed no risks. They gathered in a comfortable bookkeeping profit on every bond transaction.

The international bankers of the decade of 1918-1928 were therefore guilty of ethical grand larceny if not of legal grand larceny.

What is the conclusion of today's story out of America's past?

Destroy the power of the international bankers! Destroy this super-government and financial dictatorship!



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# GOVERNMENT BOND

## Take Money Needed fo

### by Pier

A FEW WEEKS AGO a group of travelling men, assembled in the train's smoking compartment, discussed national economics, politics and unemployment. One man in the group expressed his fears that this country is facing some real hard times, unless drastic action can be taken to force capital back into legitimate channels of industry and agriculture, instead of going into Government bonds. He illustrated his statement with the following story:

"You know, I cannot keep from thinking occasionally of a case in my own home town, a well-to-do family for two generations. There were four boys in the family and the youngest one was my schoolmate from the kindergarten days. The two of us went through college together. This buddy of mine was a peculiar chap in many ways—no initiative, he never exerted himself unless he had to, just managed to get through college with the least effort. He never participated in any of the sport or athletic activities, just one of those fellows—lazy mentally and physically. During our college days, I often kidded him about his general lack of interest and physical inertia. Sometimes I wondered what would happen to him if he had to exert himself to make a living in the business world.

"The father of these four boys died in 1926, and in the settling of the estate, each one of the four sons inherited $200,000 in cash, property and negotiable securities.

"The oldest son invested his share in a manufacturing business which was founded by his father and which he had inherited as part of his share in the division of the estate. He enlarged the capacity of the factory, added new buildings, installed new machinery and, incidentally, added many workmen to his payroll.

"The depression came along, and in 1931 the factory was forced to shut down. The buildings are now standing with rows of windows broken. No smoke comes out of the chimneys. And the oldest one of the four brothers is flat broke, a victim of the last depression.

"The second son in this family studied to be a doctor and after graduation, he settled in our home town. When he received his share of the estate left by his father, he invested his $200,000 in a combination office and apartment building, the first and only twelve story building in our community. He overbuilt himself and had to place a mortgage on the building. However, he had excellent prospects to pay off the indebtedness in five to seven years from the rental revenues and his own earnings from his medical practice, but the depression also hit him pretty hard. Rents dropped off and many of his patients did not make enough money to pay doctor bills. In 1933, the bank foreclosed his mortgage and the doctor lost every penny he had invested in the building. He still has his office in that beautiful structure, but he is only a tenant now and living in hopes that he can make enough money from his practice to pay his rent and raise his family.

"The third son was a building contractor. After receiving his share of the estate, he became a director in our local bank. During the boom days of 1928 and 1929, he built many fine homes in a new residential section south of town. He had his entire inheritance of $200,000 invested in bank stock and his contracting business. This fellow also was hard hit by the depression, when real estate values hit bottom and banks closed all over the country. He also is broke today and he is trying to make a living by operating a small trucking company.

"Now I assume you are wondering what happened to the youngest one of the four brothers, that schoolmate of mine who never exerted himself at any time unless he had to. What did he do with his $200,000? Did he invest it in a factory or in some other business, creating jobs for the working men in our home town? I should say not. He did not want to be worried about labor troubles or face competition in selling a factory product. Did he start a store or go in the merchandising business? No. Did he invest his money in industrial stocks, supplying somebody else with necessary capital to create jobs for the unemployed? Oh no, this boy played safe. He invested his $200,000 in tax exempt Government Bonds."

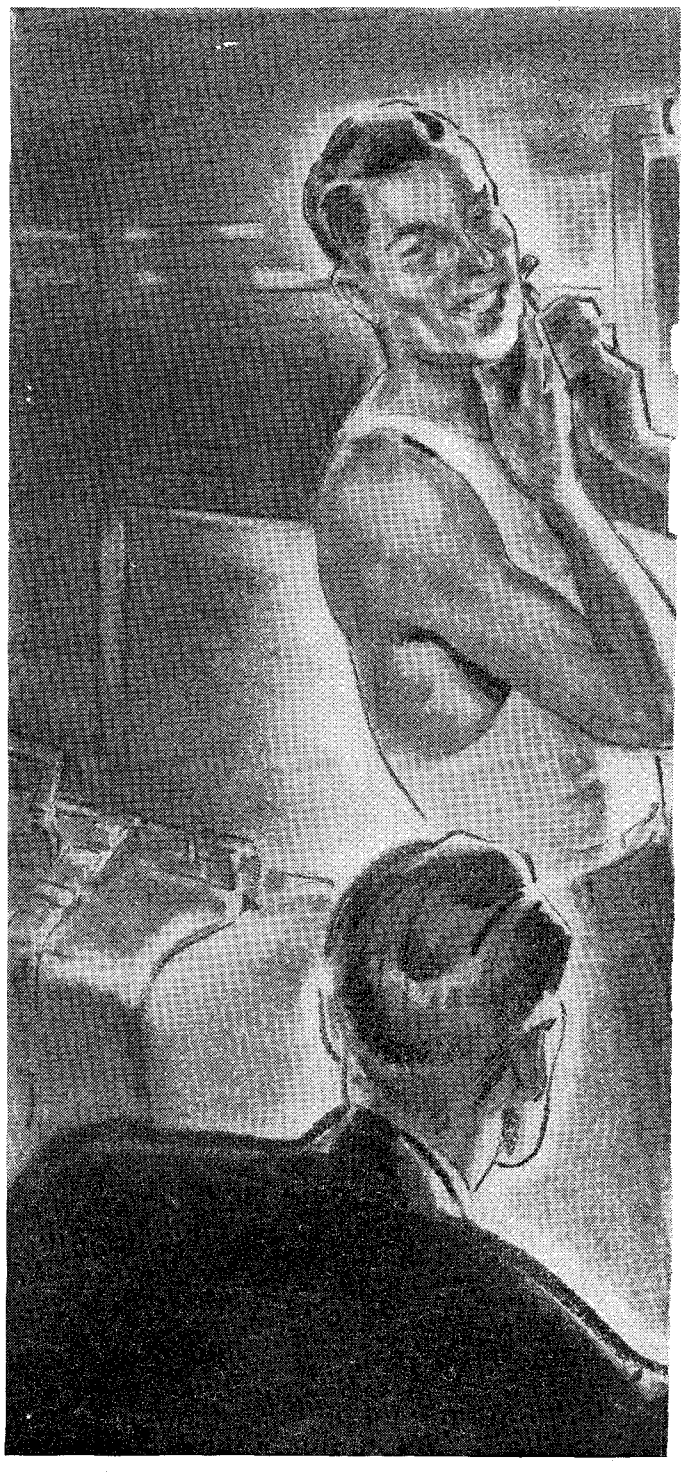
The moral of this story is that the three older brothers, who invested their money in job-creating industries, put their money to work in erecting buildings and bringing payrolls to our home town, are broke, but the youngest one still has his $200,000 invested in Government Bonds at 3½% interest, he clips $7,000 worth of coupons each year, does not have to worry about income tax returns. In other words, he is sitting pretty.

Look around in your own community and you will find similar cases where big capital is being invested in Government Bonds and people have to go on the welfare because there are no jobs.

### "Henry Ford would have a hard
### says traveling man discuss

Another one of the travelling men in this group from Birmingham, Michigan, told the story of Senator Jim Couzens, as another illustration of why we have unemployment in this country. This story goes as follows:

"You all know old Jim Couzens got his hands on millions of dollars in 1918 when he sold his interest to Henry Ford. Old Jim was a good business man and when his son Frank grew up, he put him in the contracting business in his home town of Birmingham. Frank was young and energetic and for a number of years, he employed from 100 to 250 men in the construction of many nice homes in Birmingham and also numerous of the big estates in the Bloomfield section. Frank



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# S CHOKE INDUSTRY

## Industrial Development

### Schon

**ne starting in business today,"**
**unemployment situation.**

Couzens contracting company also built the Wabeek bank building in Birmingham for his father, Senator Jim. During the summer of 1929, plans were completed to erect a fifty family modern apartment building in Birmingham, directly back of the Wabeek bank building. There were two frame residences on this property, which were torn down. The steam shovels were actually on the lot when the crash in Wall Street hit the country. The vacant lot is still there, used for parking purposes and the Wabeek apartment building vanished into a dream.

"Senator Jim pulled in his horns, made Frank get out of the contracting business and, since 1929, not a penny of the Couzens' money has been spent in Birmingham to give work to the plumber, the carpenter, the bricklayer, the electrician, etc. What did Jim Couzens do with his money since 1929, up to the time of his death last year and how did Jim Couzens accumulate additional millions of dollars up to the extent where his income was so large that in 1936, he donated ten million dollars to the Couzens' Children Fund?

"It is a well-known fact that all of the Couzens' investments since 1929 went into tax exempt bonds! The whole country was watching Senator Couzens' antics during the critical days, prior to the closing of the Michigan banks. Everyone in Detroit, at that time, realized that his refusal to save the banking situation in Michigan was primarily based on satisfying an old grudge against Henry Ford.

"When the banks closed, how Senator Jim profited from catastrophe was known to many people. He purchased several million dollars worth of Detroit City bonds—I believe at $34—and these bonds went back up to par of $100 three years later.

"The irony of this situation came up recently, when the government claimed two-thirds of the 30 million dollar estate for inheritance taxes. The heirs recently applied for a loan of several million dollars in order to pay this government tax.

"During the last election, the majority of voters repudiated Senator Jim Couzens in his own home town of Birmingham. Trades people, mechanics and laborers in Birmingham resented the action taken by Senator Jim when he took Frank out of the contracting business, stopped the building plans on the Wabeek apartment building, threw all of the workmen, formerly employed by Frank, out of jobs and invested all of his money in tax exempt bonds.

"Now duplicate this action on the part of the rich capitalists throughout the United States and what is the result? A nation wide unemployment situation!"

Another member in this group of travellers spoke up. He stated that tax exempt bonds, in addition to the banking act of 1933, resulted in a combination which has stopped the development of new industries. He made a comparison of the old banker of thirty-five years ago, as against the money lender who is sitting in his chair at the bank at the present time, and to illustrate his point he related:

"Up in my home town of Flint, Michigan, about 40 years ago, there was a fellow by the name of Dave Buick who was tinkering in a little shop, repairing farm wagons and mowing machines. One day, Dave came down the street with a horseless buggy, creating quite a sensation. After running up and down Saginaw Street for a while, he stopped in front of the bank and an old fellow with a flowing mustache and goatee, came out and looked at the rattling wonder standing at the curb. Dave Buick invited him to take a ride and when they came back to the bank, the old fellow said, "Dave, I think you've got something. If you want to build a few more of those things, come in and see me." The next morning, Dave Buick was at the Bank bright and early and the old banker advanced him a loan of $15,000 on a promissory note, without any collateral security of any kind. That is how the Buick Company was started in Flint.

"You can take almost every industry of any importance in Michigan, or any other place in the United States, and when you trace it down to its beginning, you will find in nine cases out of ten, some local banker had sufficient confidence in some individual in that town, to lend him the necessary capital for buying materials and taking care of the weekly payrolls. Trace down the history of the Dodge Brothers to their little machine shop on the east side of Detroit and you will find that John or Horace Dodge made regular trips to the bank on Saturday morning to borrow money for the weekly payroll.

"When Henry Ford ran out of money during the early days of his career, "Sailor Bill" Livingstone of the Dime Bank in Detroit loaned him $150,000 against a promissory note, without collateral security. Ford paid back this loan in nine months, much sooner than Bill Livingstone had expected at the time he advanced the money to Henry.

"The bankers in those days were business men. They were interested in bringing payrolls to their towns and most of the loans were made because the banker had *faith* in the individual.

"Today, your local banker does not have to be a good business man. The Banking Act of 1933 prevents him from advancing capital loans. The major qualification for being a good banker today, consists of being shrewd enough to secure at least two or three hundred dollars worth of gilt-edged securities against a loan of $100. Now let us see what happens

See BONDS Page 16

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# EDUCATION'S BLIND SPOT

## The Clean-Up in Our Schools and in America Must Come First in the Hearts of the American People

***by Anthony Ashley***

THERE is a surprising strangeness in the schooling of our children. It can be assumed that parents know the large and small deficiencies of the popular systems of modern education. But they will not declare the absence of religion as the elemental weakness in their children's formal rearing. What parents know in their heart, they refuse to openly admit, that it was a serious blunder to take God out of the American school.

Deep in the parental heart of America there festers that doubt which threatens to grow to despair; but no admission of this failure comes from their lips because of the stronger fear that once the admission is made, what would they do about it? They themselves are as unaware how to go about instructing their children religiously as they would be ashamed to mention the need among their friends and neighbors.

In the meantime, our children suffer, our homes are broken, our nation is ravaged by more forms of recklessness and irresponsibility than a novelist could conceive.

PROFESSIONAL educators know of the same omission and should be quicker than parents to see its far-reaching and disastrous effects. But they, too, refuse to grant their conviction that, without God, there can be no real education.

Legislators, social reconstructionists, the press—through every organ of public information and every organ of public interest there runs this same rivulet of despair. They do not ask, "How are we to help our children?" If they asked the question, they could be easily answered; but they waste precious time and expend much energy and are prodigal of public funds, all to discover the one effective substitute for the teaching of God and His plan for mankind to our children.

Social enlightenment, citizenship realization, appreciation of all the arts and sciences—these they diligently probe and establish with authority as the problem's best answer. But are they fooling parents any longer? Hardly! Their very feverish action and pressing haste and dull insistence are aimed only to hold back the waters of despair that threaten to engulf them.

Children are quick to grasp the blunders of their elders. In their growing search they realize that they are being given much to live for, but little to die for. Children quickly notice if there is one God for the home, another for social life, a third for business life, and a different God, or no God at all, for the school. And they learn very quickly what kind of life is expected of them when God has been entirely backed off the boards of life.

Now, this peculiarly irritating psychology of our schools' superiors is probably all a lack of courage; this denial of the need of God to give a complete education is a form of cowardice.

Educators like to regard themselves as a self-sufficient class, having in their grasp all the necessary means and utensils to bring the child to happy maturity.

They see public relations carried on with no hint of the need of God. They see international courts of law and settlement admitting no higher law than the will of one man, or the collective will of a group. They see industrial life, commercial and social life blind to any need and insensible to any use of God in their busy pursuits.

Should they follow the discredited hypothesis of a Supreme Being when every other system of human relations functions apparently well without bowing to a Superior Mind? Ah! but educators are not stupid men and stupid women! They are increasingly aware that these functions have not been successful, have not worked to the general good, give no social stability, promise no lasting happiness. And behind the mask of their boldness those waters of despair sweep more full upon them. "It begins to look as if we will need God after all!" is their growing suspicion. If they are not weak men, as most men are weak, it may not be too long a time before they announce that their Godless education is a failure.

There is little need now to ask why religion is not taught in our schools. Nor need we, moreover, demonstrate that no high moral principles that will last through life can be taught without mention of God and His divine law.

Any interested observer will agree that religion is not taught in our schools, first, because of its evident impropriety—"nothing certain can be known of religion;" secondly, because of the force of public opinion—the opinion, at least, of a very vocal and insistent minority; thirdly, from the great convenience of neglecting it—"why stir up the harshness and bitterness of bigotry?"

THESE REASONS are worded advisedly; for it was not a hundred years ago that a noted English educator put down the reasons why religion was taught in the schools in these very phrases: "because of its evident propriety, the force of public opinion, and the great inconvenience of neglecting it."

This, then, is the greatest hurt, and most pathetic: our children are suffering, and will suffer more in their future years, from this cowardice, this lack of courage, this fear of being stamped out-moded, out of step with advanced thought. Like the pagan Ovid, we know the good, and are inclined to it, but we follow the wrong.

SOMEONE wrote this intelligent sentence on the crime wave ten years ago: "The clean-up in Chicago and in America will come when and only when it occurs first in the hearts of the American people!"

Whether you consider our present economic crisis, our bad politics, our bad living, or our bad education, the clean-up in our schools and in America will come when and only when it occurs first in the hearts of the American people.

## We Enjoy A War

THIS country was never more as one happy family than during the feverish days of the World War.

There was a job to be done. There was a consuming reason for rising and sleeping and eating.

The smallest tasks of the darkest days were fraught with a meaning and end that went outside of ourselves.

We accepted persons we once disliked.

We denied ourselves food and clothing and pleasures.

Our liberties were hemmed in and cut off in a thousand different panels of our lives.

But we secretly enjoyed it! It was a purge of the national conscience to find that people did not want ease and security and aimlessness.

When the War was over we fell back to our normal selfishness, engaged our old vices, took what we could get, went our separate ways, set out to please ourselves, and left the other man to shift for himself. It had been a war to end wars and we would never again be visited by its scourge.

Perhaps people need be taught to see the war in their individual lives: their forces marshalled, their days filled with fruitful deeds, their minds fired with the contentment of achievement — without the blood and wounds and ghastly human casualties.

National welfare, too, can only be won by a war. Side by side we must fight off greed, slay the selfishness and chiseling, bury deep the poking individualism.

There is something to live for and something to die for if you only find the enemy!

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## JACKSON AND THE BANKERS

To the Editor:

In Social Justice of January 31st, I read the letter of William Beal in which he quotes President Andrew Jackson's words to the bankers of the United States Banks. The bankers told President Jackson if that law was passed "—it would ruin business." As President Jackson did not agree, they said, "We will ruin business."

"What! You threaten me!" said President Jackson, "if you are found in this city in twenty-four hours, I will have you all hanged."

Thus ended the conference.

—D. Carpenter.

*Chicago, Ill.*

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## NOT ONLY MONEY

To the Editor:

I believe it is high time to introduce other topics in Social Justice besides the money question.

I believe there are other measures which are necessary to effectually meet the capers of the New Deal. For example, the Townsend Plan and the land question.

Any investigation which leaves out of account the fundamental element of the latter is plainly unscientific. If Einstein and his fellow scientists discovered that the elements comprising the myriad forms of this universe were only three, and they confined themselves to an investigation and discussion of only two of these elements, and resolutely refused even to consider the third element, we would marvel at their stupidity.

A casual consideration of land discloses at once that it has marked characteristics entirely absent from forms of wealth which are produced by labor and capital.

There is no fixed limit to the capacity of labor, aided by capital, applied to lands to produce material wealth. Land has entirely different characteristics. It is the creation of God, and is indispensable not only to produce wealth, but even to human life. It is strictly limited in quantity. No man can add to it.

With these characteristics so essentially and vitally different from those of human service, is it not amazing that it is not being discussed?

—Octave Savard.

*St. Paul, Minn.*

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## FOREIGN IMPORTERS

To the Editor:

The unemployment at this time reaches close to 15-million. This is not caused by the money situation, although I am strong for Congress to regulate money.

As a practical business man, I know that big business as well as small business will go to work when there are orders to fill. Our factories are not getting orders for the very good reason that our moneyed men and importers are placing their orders in European markets. With the low tariffs and cheap labor of Europe it is possible to make as high as 300%. This is not possible if the orders are placed with American factories.

Mr. Lewis and Mr. Green know this as do many others, but no real complaint

is made against this racket of flooding our country with foreign merchandise. Our factories cannot compete against foreign factories.

First, protect home markets and get people back to work. The next thing, get the money racket stopped and the monopolies broken.

—Fred W. Gurtel.

*Secausus, N. J.*

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## POWER

To the Editor:

Money to a nation is what steam is to a locomotive, electricity to a motor, gasoline to an automobile, blood to the body. To assure efficient results it is necessary to stabilize and control the power of motivation—hence the steam gauge, the rheostat, the accelerator, the heart. To determine the law of allotment without them, the result would be either an over supply or an under supply creating destruction or deficiency and in reference to our antiquated monetary system, this situation is called credit inflation and credit deflation. Credit stabilization is the logical answer and the crying need of the hour.

Regardless what perfection may be obtained in any instrument of power, it is more important who becomes its operator. Think of the powerful words of Meyer Rothschild who said, "Permit me to issue and control the money of a nation, and I care not who makes its laws" and then the parallel words of Pius XI, "Because they hold and control money, are able also to govern credit and determine its allotment, for that reason supplying, so to speak, the life blood to the entire economic body."

Despite the systems or exchange mediums when the power to set the exchange value is determined by a few non-elected individuals, and not the representatives of the people, the absolute result is the concentration of wealth in the hands of a few. Finally, they who exercise this irresistible power after acquiring about all to be had in material wealth, do not desire to surrender it and will seek external dictatorship to prolong their position.

The correct way to ward off this catastrophe is to strike at the very heart of this evil, that is, return to Congress its duty and function of governing credit to all the people and not a few and this is the spirit and word of the constitution of the United States and the spirit and word of Pius XI.

—Jacob T. Casale.

*West Newton, Pa.*

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## LEE BILL

To the Editor:

I should like to ask if you have had occasion to investigate the "Lee Bill" which is pending before Congress and which, if passed, will successfully eliminate every small laboratory now engaged in producing medical products and will literally establish an absolute monopoly, placing the manufacture of medical items into the hands of six major corporations.

To me, this appears to be class legislation designed to eliminate competition and to further establish the dictatorship which is so desired by the American Medical Association. Incidentally, this bill does not have the approval of the average physician and certainly works against the best interests of those who are required through illness to buy medicines.

It will also have the effect of throwing additional thousands of employed people on the relief roll. Not to mention the literal confiscation of the money now invested in these smaller laboratories by their owners.

If any bill has ever needed the searching light of truth thrown on it, certainly this is the one, and I sincerely hope that you will have an opportunity to investigate this unjust and un-American monstrosity which would eventually eliminate smaller companies and thousands of laboratories that are manufacturing medical specialties designed solely for physicians' use, and who, of necessity, must name the disease for which their treatment is intended in the advertisements which they run in medical journals.

In other words, these six major companies, through undue influence, exerted in Washington, will seek through this Lee Bill to eliminate all other competition and further capitalize upon human illness.

—Mrs. Hazel Freeman.

*Chicago, Ill*

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## YOUTH SEEKS ANSWER

To the Editor:

The writer of this letter is a very puzzled youth—not puzzled in matters economic or financial, but puzzled as to a solution to the financial and economic ills of our country.

Where does this youth fit in this turbulent world? He is not employed; he is a scholar of sorts who turns to the literature of wiser men for solutions to the problems that confront him. He has studied many subjects merely for his own edification. Their material value is zero, but to him they are worth millions.

He is one of a laborer's family of six. No one wants to hear the results of his long hours of study and research. He might have chosen a vocation; if he had, he has forgotten its nature. He gropes, not in the dark, but in an eternal light that blinds him. His mind is always questioning. How? When? Why? Where? Sometimes he finds the answers to three of these questions, but in search of the answer to the fourth, he loses the attained three. When will he cease his seemingly endless groping? Who will supply him with dark glasses so that he might look into the source of the light and find there a solution to the problems that confront him?

He wishes to see the source of truth in all things social, economic and financial, so that he might carry on the work for his generation.

—James J. Toner.

*Allentown, Pa.*

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## BEWARE OF CREDIT

To the Editor:

The caption: "No Money Down Sale —Dress Up the Entire Family on Easy Payments—Your Credit is Good" attracts people of all walks of life but especially the common laborer with families.

Credit is extended only to those who own their own homes or who have lived in the city a reasonable length of time and are at present employed and have been for a length of time at the same place of employment. If the applicant does not quite qualify in this respect, he is worked for a down payment and, if he does not have a sufficient amount of cash to almost cover the wholesale cost of the bill, the merchandise he has selected or wants is given to him only if a payment is deferred until the coming pay day or if he can bring in a responsible co-signer. Otherwise, credit is not extended.

Merchandise is allowed to leave the store only after all the information received from the customer has been checked and verified.

In case the information does not prove to be as stated, the customer is accused of trying to obtain credit under false pretenses and if he or she can be bluffed or frightened, their deposit is kept until they bring in the balance due on the bill of merchandise they had selected, or they receive nothing in return for their money and in most cases, it is the last seen of the prospective customer.

—A. D. Solomon.

*Canton, Ohio*

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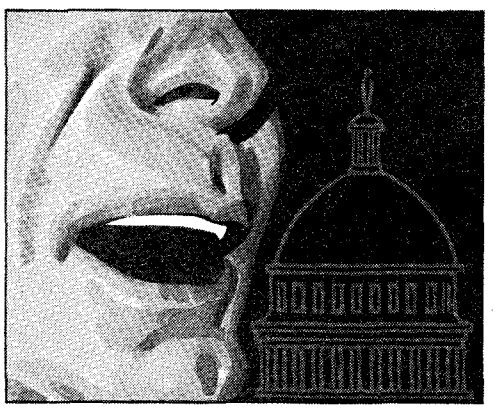

# "Will the Gentleman Yield?"

## Six Billion In Taxes Not Enough For 1939 Budget

**By Hon. Rush D. Holt**
**Senator from West Virginia**

IF MORE INDIVIDUALS would realize that the tax burden rests upon the millions of families instead of the few, we would see more interest in how the money is being spent. Every time money is wasted, it is your money that is misspent. When the Federal Government spends money for a useless purpose, it is your money that is being misspent. When the Federal official adds useless employees on the public pay roll, he is paying for those employees out of your money.

Since it is your money, let us look at the figures for just a moment. The estimated 1939 Budget says that you will pay $5,919,400,000 in the 12 months between July 1 of this year and June 30 of next year. After you have contributed that amount, you will have left over a debt of $949,600,000 to pay some time.

Where is the money to be collected from? They expect to collect $2,413,020,000 through income taxes with corporations paying $1,005,500,000 and individuals $1,145,300,000 with other payments to equal the sum of $263,400,000.

Where does the balance come from? Miscellaneous internal revenue taxes will yield $461,800,000. Alcoholic beverage taxes, $564,770,000, tobacco tax, which means 6 cents on every package of cigarettes you smoke, $529,392,000; stamp (not postal) taxes, $65,440,000; manufacturing excise taxes, such as lubricating oils, matches, gasoline, tires, toilet preparations, automobiles, automobile parts, radios, phonograph records, refrigerators, sporting goods, firearms, and chewing gum, $423,180,000. Other taxes bring the total to the stated figure of $5,919,400,000.

Now, where is this money to be spent?

For the legislative, judicial, and civil establishments, $760,000,000; for Army and Navy, $991,000,000; for veterans' pensions and benefits, $538,000,000; for interest in the Federal debt, $976,000,000; for public works, $619,000,000; for unemployment relief, $1,266,000,000; Agricultural Adjustment Administration program, $586,000,000; social security program, $813,000,000; railroad retirement, $119,000,000; and other miscellaneous items to bring the total to $6,868,000,000.

Few expect the budget to be kept in those limits. The general belief is that it will exceed the figure by a much larger sum than the one expected.

## No Power Over Money Says Barkley

IN SPEAKING of the housing program bill, which upon analysis offers no relief to the shelterless people of America because of the exorbitant interest which it mandates and the stiff requirements which it dictates, Senator Barkley, the professional excuse man of the New Deal Administration, said:

"Harm will come of any restrictive proposal or amendment that makes it more difficult to induce people with money to put their money into construction. WE HAVE NO POWER OVER MONEY; we cannot pass a law here to conscript it in time of peace, at least, though I favor a law that will put all Americans on the same equal basis in time of war with respect to their lives and property. But we have no power to conscript money with which to build houses or compel those who have money to invest in the building of houses. We are trying to create such a situation that they will be induced to do so, in order to give employment to people, and any restrictive proposal that would cause them to hesitate or to refuse to invest their money in building would certainly be of no benefit to labor."

"We have no power over money," so speaks the spokesman of the White House thereby displaying his ignorance of the Constitution of the United States of America which says that Congress has the right to coin and regulate the value of money and of foreign coins.

## Prepare For Defense Only — Pittman

**By Hon. Key Pittman**
**Senator from Nevada**

THERE HAVE NEVER been more than two methods of protection. One is self-protection. The other is through treaties of peace, relying upon the honesty, the morality, and the humanity of the nations with whom we enter into treaties. But have those treaties been respected? Every material treaty has been absolutely violated and wiped out. They mean nothing.

We are hardly at liberty to discuss the brutality of the wars that are going on in the world today. We are hardly at liberty to discuss the violent, immoral, inhuman disregard of sacred promises under treaties. I do not believe there is a man or woman in this country who, understanding the world situation, will trust to the humanity and honesty of any foreign people to protect the lives of his loved ones. He must be prepared to destroy them if they attempt to destroy him and his family.

My experience through life has taught me to believe that the coward or the bully never attacks anyone he believes will eventually conquer or kill him. The cheapest thing this country can do for the sake of our civilization, for the sake of humanity, and for the sake of the lives of our people is too spend a few billion dollars to warn the world that we alone, without alliance and without assistance from any country, will destroy any government that attacks us.

## Let's Use Nation's Power To Expand Money Supply

**By Hon. H. Jerry Voorhis**
**Representative from California**

AT PRESENT the only way in which the money volume is increased in America is by having someone borrow from the banks. When such borrowing takes place, either by private citizens or the Government, deposits are set up for them and check-book money is expanded. But no one can force people to borrow or the banks to lend, and so when people spend their deposits to buy securities from a bank, or when they pay off their debts, "money"—that is, bank credit circulating as money — is literally destroyed.

Moreover, banks can and do buy Government bonds with new credit and create "money" thereby. On the other hand, the public can only buy such bonds with old credit already set up as their deposits, or with cash money. Therefore, when the public buys Government bonds from the banks, cash or active check-book money is converted into the far less active and less liquid form of a Government bond. A given amount of check-book money has disappeared. The banks may have additional reserves, it is true. But they may or may not expand new credits on the basis of these reserves.

Up to early 1937 Government borrowing through bond sales had been causing the creation of new deposits of new "money." But just as recovery had come through this method of creating deposits in favor of the Government, so contraction and recession came when the banks reversed this process by selling Government bonds to the people, thus taking money from and reducing their deposits, which meant, of course, reducing the amount of check-book money in circulation.

Why should the Government's monetary powers be limited to causing a deflation and contraction of credit or at best to trying to encourage the public to go into debt with the banks in order to expand credit? Why should there not be corresponding power to expand? I believe this question is unanswerable except on the ground that *to use the nation's power to expand its money supply without paying interest for the privilege is to break the grip of an outworn and discredited check-book money system on this country and to free our power to produce needed wealth.* It would break the grip of our greatest of all monopolies — the monopoly of the power the banks now have of increasing and decreasing the nation's money supply.

## Anthony Eden Owes Explanation

**By Hon. William E. Borah**
**Senator from Idaho**

THE SECRETARY of Foreign Affairs of Great Britain, speaking in the House of Commons a short time ago, and discussing the relationship of Great Britain to the United States, stated, in substance that we—that is, Great Britain —have no actual treaty with the United States, but we have an understanding or relationship, and daily we are in consultation with reference to our foreign policy; and when asked what was that relationship, he stated that he could not reveal it. I do not quote his exact language, but I quote it in substance sufficiently to be entirely correct as to its import.

I regard that statement as most unfortunate. It gave the world to understand that the United States and Great Britain had a working alliance or working relationship with reference to the eastern question particularly, and that it was of such a nature that it must be kept a secret.

Preceding that statement Great Britain had announced a great naval building policy. Succeeding the statement the United States announced a great naval building policy. And, taking the statement in connection with what had preceded and what followed, the nations of the world, practically without an exception, reached the conclusion that the United States and Great Britain are in tacit alliance and are building navies in accordance with that foreign policy. I venture the opinion that this view is generally entertained upon the part of all the leading nations. I say it was a most unfortunate statement, and it ought not to be permitted to remain unanswered.

## Emancipate Business From Politics

**By Hon. George A. Dondero**
**Representative from Michigan**

WE CAN DO much in this Congress to assist business and bring back better days by repealing some of the laws which we have passed and which we now find are not working to the advantage of our people, but rather to their disadvantage. Industrial warfare will have to cease before happier days will come again.

Another thing we could do to help in this country is to emancipate business from politics. When we take off the shackles that have been put on business in the way of burdensome taxation, undue governmental regulations, and Government competition with private business, the sooner we do that, whether we be Republicans or Democrats, the sooner will come a better day for the American nation.

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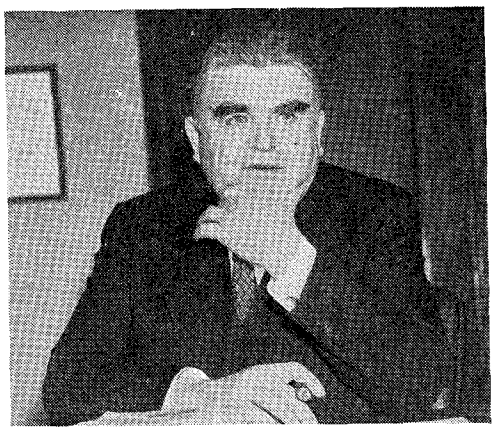
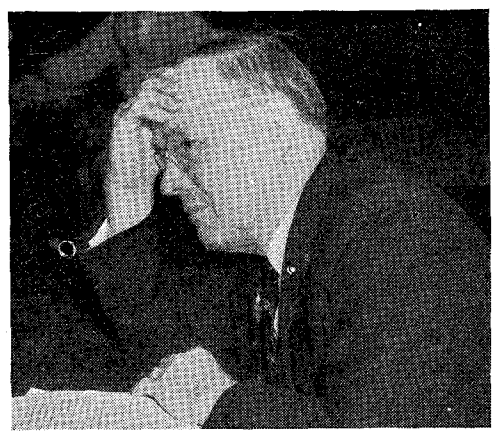


JOHN L. LEWIS

# Breaking Labor's Back

**by Joseph P. Wright**



WILLIAM GREEN

**Behind the Quarrel Between the A. F. of L. and the C. I. O. Lies the Personal History of Selfish Men.**

AT THE most crucial period in its turbulent history, American labor finds its house divided. At a time when a new depression's onset bids labor gird itself with the bonds of unity, the very foundations of its organizational structure are cleft between two hostile, rival organizations — the American Federation of Labor, and the Committee for Industrial Organization.

But the disorder is not labor's doing. The rank-and-file, from which should stem all governmental authority in labor organization, overwhelmingly demands peace between the warring factions. Certain men in high places in both bodies have heeded the call of the rank-and-file and have enunciated anew the demand for peace. But their pleas, like those of the men they represent, fall upon the heedless ears of those in supreme command—John L. Lewis, chairman of the C.I.O., and William Green, president of the A.F. of L.

What is the reason for this disorder? What brought about this essential disunity? What is blocking the path to peace?

The answer lies in an analysis of the personalities of these warring leaders, Lewis and Green, and is bound up with their case histories. The answer is tangled in a webwork of whimsicalities, prejudices, hatreds, hopes and ambitions of these two, who, by allowing their animosities to usurp their reason, must be set down as false prophets of labor.

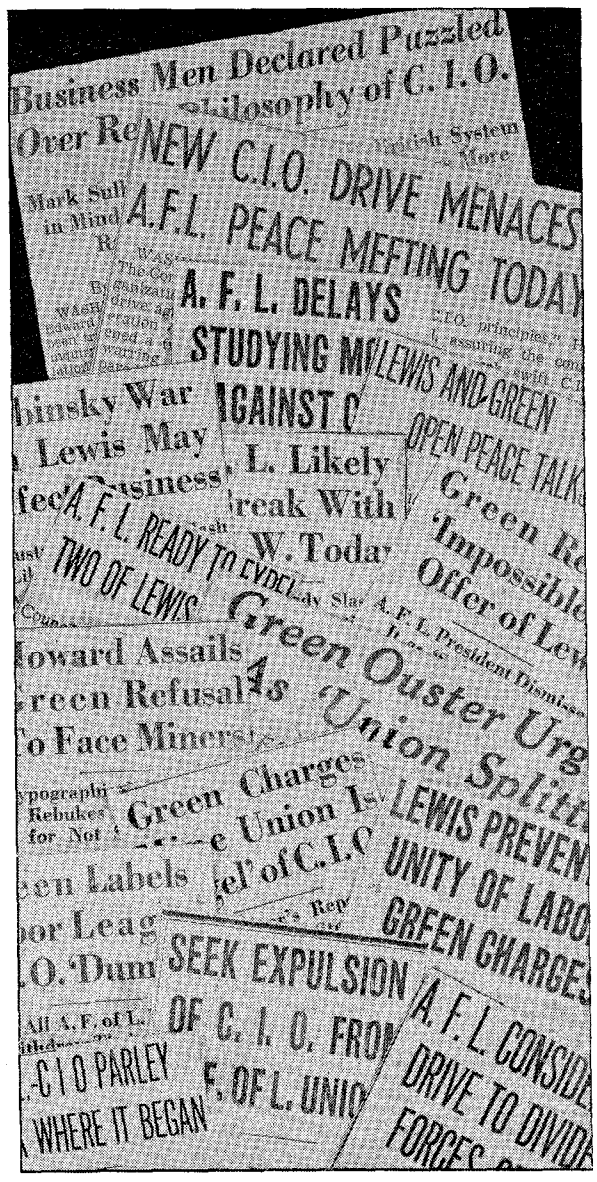
Men who have known John L. Lewis, who have sat with him at conferences, who, with him, have smoked labor's problems over the fires of discussion, have found in him the qualities of a dictator. His is the iron will. His is the ruthless spirit. His is the long-range program of personal ambition. His is the place of the tyrant who lets nothing stand in his way; who bends all to his will. As one Washington reporter put it, "Lewis is a brilliant leader, a crafty leader, who is absolutely ruthless. Whoever opposes him, does so at his own risk."

William Green, on the other hand, is the village mayor type of obstructionist. With the zeal of a small town landlord opposing industrial progress because it would lessen his property values, Mr. Green has steadfastly opposed labor unity because it casts a cloud over his own path to glory. Mr. Green fights unity, because he believes unity threatens Mr. Green.

For public purposes the quarrel between the A. F. of L. and the C.I.O. is strictly a struggle between craft and industrial unionization. Within the hearts of Messrs. Lewis and Green the quarrel is a personal one, dating from a day in San Francisco, 1934, when the Federation first gave favorable ear to the industrial type of unionism.

In November, 1935, Lewis bolted from the executive council of the Federation, set up the Committee for Industrial Organization with himself as chairman, and gave as his reason, that the Federation had not acted quickly enough in sanctioning the organization of workers in mass industries. In January, 1936, the Federation's executive council requested the C.I.O. to disband. The request was defied. In May, 1936, the Federation set a deadline for the dissolution. The threat was ignored. In September, 1936, after a further threat which also was ignored, the Federation suspended ten C.I.O. unions.

Thus John L. Lewis started on his dictatorial way. Additional C.I.O. unions were chartered. Workers were recruited to membership by the celebrated "strong arm" methods




that proved so effective in the earlier days when miners were being pressed into unionization. Strikes were called as quickly as possible in newly-organized industries — a Lewis stratagem based on the assumption that workers confirmed in the fires of violence become strong unionists. C.I.O. membership doubled as the power and gospel of "Boss" Lewis spread.

The Federation retaliated. A "war chest" was collected to carry on the jurisdictional dispute. Boycotts were proclaimed in industries split between the warring factions. Retaliatory boycotts were called by those boycotted. Jurisdictional strikes became common. Each National Labor Relations Board election became a new C.I.O.—A.F. of L. battleground.

Behind the scenes the hands of Lewis and Green, no longer calloused from contact with the miner's pick and shovel but smooth with autocratic power, pulled the strings that made the puppets dance. Forgotten were the best interests of the workers under their charge. Remembered was the bitter, personal quarrel and the road to domination of American labor.

PUBLIC DISGUST grew, meanwhile, as the interests of labor in the mass were seen to suffer. Public opinion forced a meeting of the minds behind the quarrel. Federation leaders and C.I.O. officials confided to their masters that peace was essential, if labor was to prosper in any degree whatsoever. Committees were appointed from both sides to settle the dispute.

In their now historic Washington conference, delegates from both bodies wove the pattern for peace. Under its terms the Federation would take back the 12 "rebel" unions founded under the C.I.O. banner. Lewis rejected this proposal and substituted for it an arrangement whereby the entire C.I.O. force be taken back, given Federation status and voting strength, and then settle the jurisdictional quarrel in convention.

The personal selfishness of labor's false leaders nowhere is more evident than in their direction of the strategy at this conference. The C.I.O. leaders, sincerely desirous for peace, aided in formulating what they thought to be an acceptable plan. The iron will of Lewis tore the fabric to shreds. The Federation delegates, assumedly also desirous for true peace, were hampered, in that acceptance of any peace plan was vested in the executive

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## Government Bonds

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to the Dave Buick and John Dodge of today. He may have invested all of his savings in a new invention and is unable to place the article in production, regardless of the fact that it may be an excellent product and that there may be a good market for that particular commodity. He has no assets against which a loan could be secured from the local banker and as previously stated, the local banker cannot advance him any money against a promissory note. The banker is prevented from doing this through the Banking Act of 1933 and Dave or John may have to go on the welfare at $14 a week, taken from the taxpayers' money, and here the government comes to his aid by giving him a shovel and telling him to go and play in the dirt with it."

ONE of the other travelling men heartily agreed that the speakers were correct. The fourth man added the following remarks to the conversation:

"You know, I cannot understand the present credit system. A friend of mine, who had $4,000 in cash, intended to go in business last year, but he needed $6,000 additional capital. He spoke to the local banker, but the question of collateral security came up and he was unable to offer sufficient security, so his request for a loan was turned down flat. After consulting several other parties, who to his knowledge had ample money at their command, he was offered the money needed, providing the lender could obtain at least 51% control of the business. In other words, the energy and personal effort on his part in developing the plan, starting the business and assuming all of the responsibility was considered practically worthless. So he finally decided to give up his idea of starting this new business venture.

"Thereupon, this man decided to go into the stock market. He placed his $4,000 with a reputable brokerage concern on margin, and bought $10,000 worth of good dividend paying stocks. In a conversation I recently had with him he said 'You know it's funny when a man wants to go in a business, creating jobs for the unemployed, it is impossible for him to secure help from any bank, but when he decides to gamble on the stock market, he doesn't have any difficulty at all buying $10,000 worth of stock with a $4,000 payment'."

After everyone in this group of travelling men had contributed something to the discussion, a ways and means committee was formed to summarize their views concerning drastic remedies as a basis for bringing back prosperity and solving the unemployment problem as follows:

1. Stop the racket of Government tax-exempt bond inflation.

2. Abolish the Federal Reserve Bank and create a National Government Bank, similar to the Swedish plan.

3. Prohibit the investment of big American capital in foreign countries, except by approval of the U. S. Government.

4. Disregard the big bondholders' howling about inflation and begin redeeming Federal bond issues with currency coined by the National Government Bank.

5. Relieve job creating industries of confiscatory taxes and revise the Wagner Labor Act to place equivalent responsibilities on the Labor Unions.

6. Raise tariffs on manufactured goods, originating in countries like Japan, to the extent whereby goods produced by cooley labor cannot be sold at a lower price than similar goods produced in American factories.

At this point, the self appointed ways and means committee of travelling men decided to disband as the hour was getting late, but agreed to reconvene at some future time to discuss the subject of "Driving the Money Lenders from the Temple," regardless of the fact that everyone realized that under our present form of Government, our opinion means very little.

## Breaking Labor's Back

Concluded from Page 15

council. Thus Green, like Lewis jealously guarding his zone of power, was "safeguarded" against the sincere acts of his lieutenants.

Failure of the conference provoked a storm of protest among the rank-and-file, and among the governing fringe of both organizations. David Dubinsky, international president of the Ladies' Garment Workers' Union, pointed to the cause of continuing dissension—Lewis' dictatorial control of the C.I.O. "No one man has a mortgage on the labor movement," he said. Then Charles P. Howard, president of the International Typographical Union, of the A.F. of L., affirmed that continued intra-union strife endangered the labor movement.

There is no sincere desire for peace on the part of either Lewis or Green. This is attested by their acts and their works. In the organizational structure of the C.I.O. is reflected the dictatorial nature of its chairman. Lewis fears democratic rule within the C.I.O. When the automobile and steel industries were being organized, Lewis said: *"We can't let those men have the right to vote. We don't know how they would use it."*

In the Federation, similarly, Green refuses to surrender one iota of power. "Let's arm ourselves to war on this raiding organization" (the C.I.O.), he shouted to a union audience recently. His whole effort has been concerned with blackening the opposition in an effort to overshadow the need for peace.

When the A.F. of L. executive council met in Miami, Fla., a short while ago, hope of settlement was generated anew. The United Mine Workers of America met in Washington, D. C., at the same time. Here, observers thought, would be resolved the need for unity as the membership of both bodies spoke their thoughts.

But the outcome was a continuation of the peace mockery. Lewis shouted down demands for peace by offering an impossible basis for settlement. Green ridiculed the proposal and denounced Lewis. Then the executive council expelled from Federation membership the United Mine Workers and two minor C.I.O. unions. Sham battling obscured the real issues.

What lies ahead? Lewis sees the road to political success. Green hopes for a position of dominance in the labor field. Peace fails to square with these ambitions, thus peace must be passed over. "No peace without honor," cry both Lewis and Green to their fellows. "No peace without personal aggrandizement," they seem to mutter to themselves.

Labor remains the pawn in this selfish grudge battle. Nearly 8,000,000 workers find their personal welfare obstructed by these ambitious, false prophets. Labor's back is being broken by the unbending will of tyrants. Never before was the need for just, sincere, labor organization greater. The Roosevelt depression is upon the workers. Organizational gains are being nullified, and hate is fanned by intra-union strife. At the side stands Communism ready to pounce when the destruction is complete. At the side also are avaricious employers, applauding the struggle that distracts attention from labor abuses in their plants. Unless peace is achieved, labor loses.

What is to be done? Either Mr. Lewis or Mr. Green, or both, must surrender the throttle hold on labor's neck. An impartial board of arbitration must be established to weigh the points of difference. Settlement must be achieved, at the cost of minor sacrifices on both sides. There is no great gulf of difference. Both industrial and craft unionization are needed. All that is not needed is the selfish, obstructive, discordant labor duo—Lewis and Green.

## Eyes and Ears

Concluded from Page 6

The youths of today can be lured to destructionism just as easily as their fathers were lured. They can be made to hate the Japanese or the Italians with the same fatuous fury with which their fathers hated the Germans. Their white crosses on the deserts of China or the shores of the Mediterranean can be as readily forgotten as the white crosses of France have been forgotten.

On the other hand, since human nature has proven its adaptability to progress, this new generation can be inspired to devote its idealism and its boundless energies to the work of building, of refining, of finding the better way that leads through peace to greater national and racial accomplishment. It is all a matter of guidance.

The young generation that turns twenty this year has everything but experience based on personal, factual knowledge. That it must get from the generation passing before it. That is the priceless heritage which has been the foundation of all true civilization.

The fathers and mothers of the generation now coming of age still have time and means to thwart the national leadership which is striving to guide our eager youth to the folly of another World War.

That they rise now to thwart such leadership is the challenge of this crucial twentieth anniversary of the war of wars.

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# The Moratorium and After

**by Frederick Soddy**

AT THE commencement of the War the ugly fact of the Moratorium needed some public *apologia,* and we read in a work by Mr. Withers published in 1914: "It came upon us like a thunderbolt from a clear sky. At the end of July, 1914, any citizen of London who was asked what a moratorium meant would probably have answered that there was not such a word. Possibly he might have said that it was a large extinct woolly beast with big tusks. If he was exceptionally well informed in matters of finance he would have replied that it was some sort of device used in economically backward countries for blurring the distinction between *mine* and *thine.* On the 2nd of August we had a moratorium on bills of exchange. On the 6th of August we had a general moratorium. . . . It was an unpleasant string of surprises, but it was not brought about by internal weakness in the English banking system. The fury of the tempest was such that no credit system could possibly have stood up against it. In fact, as will be shown, the chief reason for the suddenness and fullness of the blow that fell on London was nothing else but her own overwhelming strength. She was so strong and so lonely in her strength that her strength overcame her."

And at the close of the same work.

"Summing up the effects of the War, as far as it has gone, on Lombard Street, we may confidently claim that they have given a striking proof of the resourcefulness and adaptability of the Bank of England, the prudent and successful courage of the Government in pledging the national credit in order to maintain our trade, and the masterful power of England's wealth."

In *Bankers and Credit,* published after the War, when the country is experiencing some of the consequences of its improvised efforts to take some small part in its own finances, it is the politicians, never the banks, that are to blame:

"Political rulers have lately shown amazing capacity for creating chaos in the world of banking. Under the stress of war they seized and warped for their own purposes the banking and currency system of this country and of all other countries engaged in it, and of many of those that were only affected indirectly, with the result that the system which had been brought to something very near to perfection is now

*"Like sweet bells jangled out of tune and harsh,"*

a melancholy mockery of its former beauty and efficiency."

The book ends on the proper functions of the politician:

"The gold standard frees us from muddling with our money by politicians, has worked well in the past and may do so again, whenever the politicians succeed in doing their proper job, of giving us peace and security and confidence and good-will."

Whereas most people who have any experience of responsible administration would probably agree that an administrative Government without any real power over finance, and with that power located elsewhere, can be little more than a figure-head. "The king is dead. Long live the king!"

## Injustice

**Concluded from Page 5**

great as *eleven million six hundred thousand families.*

It may not happen here. Another war of rebellion in our own country may not become "an all-embracing and blood-soaked reality." We may escape the consequences of social injustices that prepare the soil of the western hemisphere for a third or a fourth Soviet. But staring us in the face are the figures of the late census that indicates how few there are who have so much and how many there are who have so little. Obviously, an ostrich-like position in these days of depression adds nothing to our security; nor does it solve our economic problems. We are still face to face with the facts that what occurred in Russia and Mexico and Spain *can happen here.*

THE argument has been advanced that the American people are too patient, too long suffering to repeat the horrible drama enacted in countries that are, or have been, under the domination of Marxian philosophy. They have forgotten that while it is true that "Man's inhumanity to man makes countless mortals weep," it is also true that man's inhumanity to man has made countless mortals *fight* in self-defense of their natural and God-given rights. The heel of the economic and social oppressor is never so ground into the soul of a people that they will not rise eventually to strike and kill the monster. And when they rise, it is not reason but passion that governs them in their revenge. It was true in Russia. It was true in Spain. And in the case of Spain, as in Russia, it was the Spanish Lenins who led the assault.

As a correspondent for an American news-agency, I witnessed what transpired in Spain as a result of the injustices of the aristocrats and the nobility. The saga will never be fully told. It is impossible to relate the circumstances surrounding the murder and assassination of a million people, nearly fifteen thousand priests, the destruction of twenty thousand churches and chapels, the spoilation of virgins in the convents of the country, the barbarism of nearly twenty months of trench warfare. Historians and readers of history have been horrified by the numbers put to death in the Spanish Inquisition. One prominent historian places the number of deaths at 31,912 in three centuries. Yet the Manchester Guardian, leading British provincial newspaper and friend of the red government of Valencia, states that the official number killed in Madrid, in three months exceeds thirty-five thousand. Obviously, nothing in the history of the human race, even the fury of the Roman emperors in the first three centuries of Christianity, excels the wholesale slaughter by the radicals in the Russia of twenty years ago and in the Spain of today. A new kind of diabolism was invented when communism was born.

Above the doors of the Kremlin in Moscow is carved the keynote of Karl Marx's philosophy: "Religion is the opiate of the people." The same sentence would have been carved over the doors of the Kremlin that was to be built in Madrid if General Franco and a loyal army had not entered the sorry state of Spanish affairs at a propitious moment. The communists had succeeded in awakening the passions of the people against religion and government, or at least that portion of the population succumbing to the siren call of communism. Sufficient numbers had been weaned away from religion to institute a government thoroughly Marxian in design. That a left government could have been organized and seated in a Christian state is not to be marveled at when one understands the trickery and deceit, the fraud and the collusion practiced to win a people suffering every kind of social injustice, not for a decade or two but for centuries. The communists in Spain, at their strongest moment, knew that they were unable to win an election. Instead, they followed a clever practice and policy, which summed coarsely, amounts to "If we can't lick them, we will join them and run them." So they joined the various dissenting elements in Spain and by fraudulent methods, won the election of February, 1936.

Immediately, the keynote of Marxian philosophy was put into effect. Just as the priests of the Russian Orthodox were assassinated in droves, their ecclesiastical building destroyed, their sacerdotal vestments torn in fragments, so the priests and nuns in Spain were tortured and murdered with unspeakable vengeance. Religion had to be destroyed before everything else. The citizen must be made an irresponsible human being before communism may take up its abode. As Lenin once stated: "Religion must be abolished. The best country is a godless country. If religion would pass out quietly, our attitude would be one of benevolent tolerance. But if it resists, we will hasten its exit by violence proportionate to its resistance."

I HAVE talked to dozens of priests who escaped the firing squad and the death chamber. Their story of witnessing the death of countless other priests is too gruesome to repeat. I will never forget the warning of one priest classed as Spain's greatest orator. He had just escaped from a prison in Barcelona and had returned to his monastery in Western Spain. I will never forget the anguish in his face as he said to me: "When you go back to your own great country, teach social justice, fight for social justice if you are to save civilization from the sons of the devil."

And after viewing the horrors of the civil war in Spain for some time, I returned to the United States with one question in mind: "Can it happen here?"

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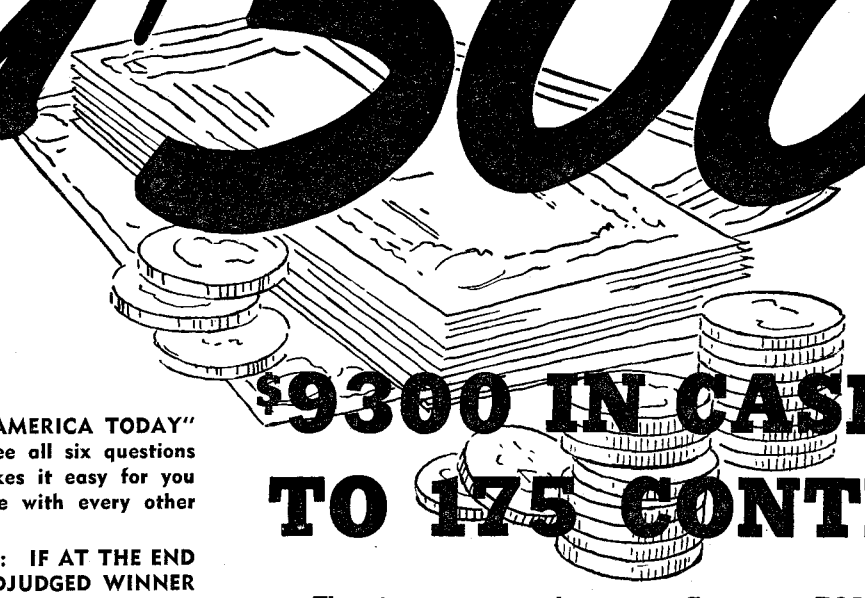
# Win $3000



## $9300 IN CASH PRIZES TO 175 CONTESTANTS

**YOU CAN WIN a Grand Prize of $3,000.00 in our "AMERICA TODAY" Contest—if you enter TODAY. On this page you will see all six questions which have appeared thus far in the Contest. This makes it easy for you to enter NOW and bring yourself right up-to-the-minute with every other contestant.**

**The one big reason why you should enter TODAY is this: IF AT THE END OF THE CONTEST—IN ONLY 10 WEEKS—YOU ARE ADJUDGED WINNER OF ANY ONE OF THE 175 CASH PRIZES, YOUR PRIZE WILL BE DOUBLED.**

**All prizes to be won by contestants who enter before March 14 will be DOUBLED!**

**This great competition lasts only 10 weeks more. In 10 weeks 175 readers of SOCIAL JUSTICE have the opportunity of winning a total of $9,300.00 in Cash—if the winners enter before March 14.**

**Anybody can win. Winners of past SOCIAL JUSTICE Contests have come from humble walks of life. You need not be a highly educated person to win. Any man or woman, boy or girl, with a fair knowledge of our country, its needs, and what Father Coughlin stands for, can win a Grand Prize of $3,000.00, or any of the other 174 cash awards.**

**Enter NOW and bring yourself up to date. Fill in the three coupons on this page. Send them in with 30 cents in coin—and you are on your way.**

**The net proceeds of the "AMERICA TODAY" Contest will go to the Radio League of the Little Flower to aid in defraying the cost of Father Coughlin's broadcasts.**

The time to enter this great Contest is TODAY while all six past questions are before you. Then you merely make your return of TWO SOLUTIONS a week until the final week. THE CONTEST LASTS ONLY TEN WEEKS MORE!

IF YOU ENTER NOW AND ARE ADJUDGED A WINNER OF THE GRAND PRIZE AT THE CLOSE OF THE CONTEST, YOU WILL RECEIVE $3,000.00 INSTEAD OF THE REGULAR GRAND PRIZE OF $1,500.00. All 175 prizes will be doubled if their winners enter NOW.

● **WATCH OUT FOR THIS!** In order to have your prize doubled you must have ten solutions sent in by March 14. If you have returned less than ten you will not be disqualified for the regular prize list—but you will not qualify so as to have your prize, if won, doubled.

## HOW TO BECOME A CONTESTANT

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupons below the questions and send in EACH WEEK with 10 cents in coin (not stamps).

2. If you wish, you may pay in full, $2.50 NOW, and then send in your weekly Coupons without further remittance.

3. Each question will pertain to a live AMERICAN ISSUE discussed by Father Coughlin over the radio or in the columns of SOCIAL JUSTICE. One of the list of suggested answers underneath each question will be the best or most appropriate based upon THE VIEWPOINT OF FATHER COUGHLIN AND THIS WEEKLY. It is your job as a contestant to try to select that particular answer.

4. Each contestant who completes a fully qualified set of 50 answers will be entitled without further cost to have SOCIAL JUSTICE sent for six weeks to a friend or relative who is NOT NOW a subscriber. Contestants may send in the names of this friend or relation at any time during course of the Contest. The trial subscription will start at once.

5. In order to qualify for the prizes, a contestant is required to remit $2.50 for each complete set of solutions submitted and he or she is entitled to have SOCIAL JUSTICE sent to a friend or relation for each set submitted.

6. If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3," etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.

7. If you miss any of Father Coughlin's broadcasts, send for the pamphlet containing it by addressing "Reverend Father Charles E. Coughlin, Shrine of the Little Flower, Royal Oak, Michigan." Be sure to specify the date of the broadcast you missed.

## GRAND PRIZE $1,500.00

| | | | |
|---|---|---|---|
| **Second Prize** | **$750.00** | **Fifth Prize** | **$50.00** |
| **Third Prize** | **$250.00** | **Twenty Prizes of** | **$25.00 each** |
| **Fourth Prize** | **$100.00** | **150 Prizes of** | **$10.00 each** |

### CONTEST RULES

1. Open to all readers of SOCIAL JUSTICE except employes of Reverend Father Coughlin, members of the former National Board of National Union for Social Justice, or members of their families.

2. The Contest shall consist of 50 questions and run for 13 consecutive weeks, beginning on February 14, 1938. Two questions each week for 12 weeks and all 50 questions to appear the 13th week. Each question deals with a live economic or social problem affecting the United States.

3. A Grand Prize of $1,500.00 will be awarded the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based upon the viewpoint of Father Coughlin as expressed over the radio, in the columns of SOCIAL JUSTICE or in his other public utterances. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.

4. In order to qualify as a prize-winner the contestant is required to send in 10 cents in coin (not stamps) with each pair of answers. For these remittances the contestant shall be entitled to have SOCIAL JUSTICE sent without cost for six weeks to a friend or relation. This trial subscription is a condition for entering the contest.

5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late or lost in the mails. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.

6. In event of ties additional questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.

7. Do NOT decorate Coupons. Neatness will NOT count.

8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.

9. A contestant may send in any number of sets of duly qualified answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set shall be entitled to have SOCIAL JUSTICE sent for six weeks to a friend or relative for each set submitted.

## ADDRESS: CONTEST EDITOR, SOCIAL JUSTICE, ROYAL OAK, MICHIGAN

## QUESTIONS FOR THIS WEEK

### QUESTION NO. 5

**What is the Chief Power for Evil of the Federal Reserve Bank System?**

1. Its power to issue currency.
2. Its power and influence with the federal government.
3. Its power and influence with state governments.
4. Its ability to expand or contract credit.
5. Its power and influence in promoting war.
6. Its power over national elections.
7. Its power to aid member banks in distress.
8. Its control over local production of goods and foreign trade.

### QUESTION NO. 6

**How Best Can America at Present Keep Out of Foreign War?**

1. By enforcing the Neutrality Act.
2. By prohibiting manufacture of munitions.
3. By a boycott of Japanese goods.
4. By reducing our navy.
5. By ignoring British propaganda.
6. By increasing our navy and air force.
7. By joining the League of Nations.
8. By joining forces with Britain and France.

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 5 For Question No. 5 I Select Answer No. ☐ No. 6 For Question No. 6 I Select Answer No. ☐

My Name Is_____

My Address Is_____

Town or City_____State_____

### QUESTION NO. 1

**What is the most menacing natural enemy of America?**

1. Japan.
2. The Federal Reserve Banks.
3. England.
4. International bankers.
5. Communism.
6. Needless poverty.
7. The C.I.O.
8. A dishonest money system.

### QUESTION NO. 2

**What does Father Coughlin urge as a remedy for our present economic ills?**

1. Return to the Gold Standard.
2. Free silver.
3. Co-operation of all classes.
4. Absolute freedom of business and industry.
5. Abandonment of industrial trade unionism.
6. Return to power of the Republican party.
7. Organization of industries for protection.
8. Control of public property for private good.

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 1 For Question No. 1 I Select Answer No. ☐ No. 2 For Question No. 2 I Select Answer No. ☐

My Name Is_____

My Address Is_____

Town or City_____State_____

### QUESTION NO. 3

**Name One Natural Right**

1. The right to vote.
2. The right to eat.
3. The right to receive mail.
4. The right to make money.
5. The right to form a corporation.
6. The right to join a labor union.
7. The right to freedom of the press.
8. The right to old age insurance.

### QUESTION NO. 4

**To What Does Father Coughlin Chiefly Attribute the Rise of Fascism and Communism?**

1. Evils of the Treaty of Versailles.
2. Schemes of the Bank of England.
3. Mistakes of President Woodrow Wilson.
4. Loss of a Christian ideal in European governments.
5. The brains of Lenin, Mussolini and Hitler.
6. Karl Marx.
7. The economic collapse of Germany.
8. The tyranny of Imperial Russia.

**FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN**

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No 3 For Question No. 3 I Select Answer No. ☐ No. 4 For Question No. 4 I Select Answer No. ☐

My Name Is_____

My Address Is_____

Town or City_____State_____

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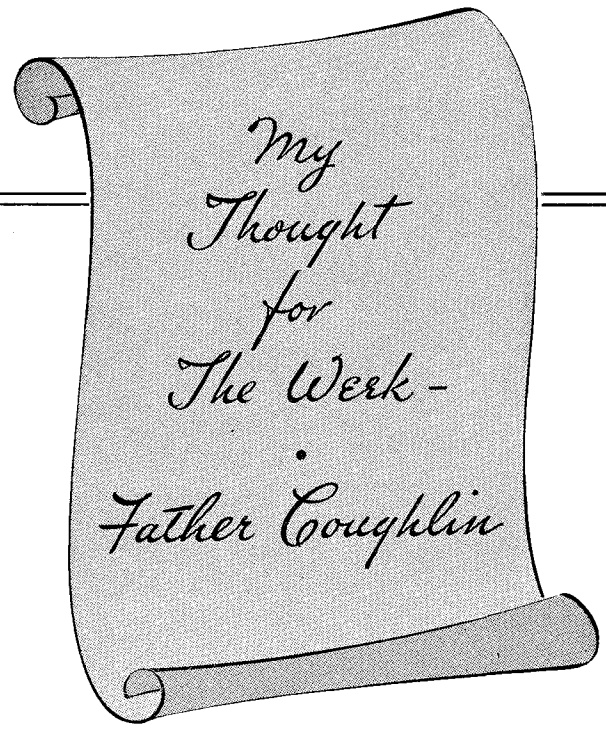


# FOR MARRIED PEOPLE

THIS IS A STORY of a boy and a winsome girl. The story of their wedding day.

Gathered in groups around the portico of her father's pretty home were joyous friends. Here, a rich uncle stood surrounded by his intimates. Yonder, a few children are playing about the knees of a majestic Guest Whose smile beamed upon them; Whose gentle arms caressed them.

About the dew-kissed lawn were beds of roses from Sharon's valley. In the sparkling pool, white lilies nodded their stately heads to the golden sun.

What a day of love, of festivity!

There comes the high priest clad in his vestments. A silver-voiced bell hushed all laughter. They gather about the bride and groom; listen to their plighted vows; watch them join hands and hearts; then, lip to lip, and seal their love with a holy kiss.

Little wonder that sweet music and hymns of gladness fill the air. Little wonder that the wine cups are passed to toast the blessed pair!

Out of the house comes one quite disturbed. She glances about here and there. Suddenly she darts towards the most beautiful lady in all that gathering—I may say, in all the world.

"What?"

"The wine has failed?"

"I? Ask my Son!"

"Why, yes. With pleasure."

Whilst the attention of the others is captured by the songs of joy, the beautiful lady walks towards her Son—the majestic Person about Whom the children are still playing.

"Son, they have no wine," she whispers.

"No wine!" said He. And as others nearby are inquisitive enough to listen, He whispers again to His darling mother: "Woman, what is that to thee or to Me? My hour hath not yet come."

With a gentle gesture she leaves Him to join her friends after having told the one who was disturbed to do as her Son suggests.

The children still with Him, He saunters towards the place where the chief steward had filled the water pots. He smiles into their brimming depths—and lo! the water blushed to wine!

My dear young friends—you who as yet have not set forth upon the great romance of married love—I pray that your future days may be filled with happiness. Become friends of Mary, the maiden-mother of Jesus Christ. Love what she loved. Live as she lived.

Marriage is more than a union of two bodies. It is an intimate association of two souls, of two minds. In my experience, as in the experience of every pastor, it is evident that the maturity of matrimony is manifest when those precious days of motherhood and fatherhood appear. The days of bride and groom are the morning sunrise. The high noon is the symbol for fathers and mothers. Unless their minds are treasure-troves of virtue, what lasting gifts can they confer upon their children? Unless their hearts are tabernacles wherein dwells the Incarnate Word, what lasting religion will their offspring inherit?

Fathers and mothers look upon life from a coigne of vantage different from the one they occupied as bride and groom. In the first estate they dwell self-satisfied with each other. In the latter, they live for the children whom a kind of Providence has entrusted to their care.

The saga of civilization tells, perchance, of the Napoleons and Cleopatras. But the history of the heart holds the story of greater than Napoleons—the fathers, and more eminent than the Cleopatras — the mothers, both of whom have conspired to build empires of sanctity in the great, good men and women, flesh of their flesh, whom they brought into this world today and whose footsteps they turn towards eternity tomorrow.

Remember what the chief steward proclaimed at Cana. "Every man," said he, "first setteth forth good wine, and when men have well drunk, then that which is worse. But thou hast kept the good wine until now." Remember those words which to you have a secret, holy meaning. Shall I disclose the secret to you? It is this: The first days of your wedded life will be June days. Roses, sunshine, laughter, friends, affection, the joy of life. But oftentimes, winter comes with its killing frost—the winter of tears and of heartaches, of misunderstandings and sorrows. Sometimes the last days are not the best days.

But if Mary is the invited guest to your wedding, Jesus, too, will come. She will plead for you. And graciously, He will change the bitter waters of life into the wine of lasting love, so that the winter days will be even happier than were the joys of June. With Jesus as your guest, the best wine is the last wine. The happiest days are the last days—happiest even though silver hair and wrinkled brow have come to occupy the empty throne or gypsy youth.

And, my older friends, who long since have plighted your troth in holy matrimony, I ask you to gaze back through the mist of the years to a day when you stood at God's altar.

You, sir, placed a band of gold upon your sweetheart's finger. As you held her hand tightly; as you looked into the depth of her eyes, there were pronounced those never-to-be-forgotten words:

"Bless, O Lord, this ring which we bless in Thy name, that she who is to wear it, keeping true faith unto her husband may abide in Thy peace and obedience to Thy will, and ever live in mutual love, through Christ our Lord. Amen."

God bless every one of you!

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**"Social Justice is synonymous with Class Cooperation. It is opposed to Class Conflict."**

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